

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work

DRILL ☒DEEPEN ☐

B. Type of Well

OIL ☐GAS ☐OTHER: ☐SINGLE ZONE ☐MULTIPLE ZONE ☐

2. Name of Operator:

Coastal Oil & Gas Corporation

Revised

3. Address and Telephone Number:

P.O. Box 1148, Vernal UT 84078

(435)781-7023

4. Location of Well (Footages)

At surface: SE/NE

At proposed proding zone:

664' F&L & 1663' FNL

14. Distance in miles and direction from nearest town or post office:

10.9 Miles Southeast of Ouray, UT

15. Distance to nearest property or lease line (feet):

664'

16. Number of acres in lease:

163.19

17. Number of acres assigned to this well:

83.19

18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet):

Refer to Topo C

19. Proposed Depth:

-9230' 11344

20. Rotary or cable tools:

Rotary

21. Elevations (show whether DR, RT, GR, etc.):

4697.8 GR

22. Approximate date work will start:

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
See Attached	Drilling Program			

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

Bond coverage pursuant to 43 CFR 3104 lease activities associated with this well is being provided by Coastal Oil & Gas Corporation. BLM Nationwide Bond #U-605382-9, and State of Colorado #1003883. COGC is responsible under the terms and conditions of the lease for the operations on the lease, and BIA Nationwide Bond #11406-A. Fee Bond U6053821 (\$80,000)

OCT 4 1999
DIV. OF OIL, GAS & MINING

24.

Cheryl Cameron

Title: Environmental Analyst

Date: 9/3/99

Name & Signature

(This space for State use only)

API Number Assigned:

43-042-33382

Approval:

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 2/3/00
By: [Signature]

(See Instructions on Reverse Side)

T9S, R21E, S.L.B.&M.

BASIS OF ELEVATION

THIS IS TO CERTIFY THAT THE ABOVE MAP WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

SCALE 1" = 1000'	DATE SURVEYED: 07-31-99	DATE DRAWN: 08-02-99
PARTY L.D.T. S.C. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE COASTAL OIL & GAS CORP.	

LONGITUDE = 109°29'33"

**Ouray #1-101
SE/NE SECTION 1-T9S-R21E
UINTAH COUNTY, UTAH
FEE**

**ONSHORE ORDER NO. 1
COASTAL OIL & GAS CORPORATION**

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
KB	4714'
Green River	1959'
Wasatch	5224'
Mesasverde	8094
Total Depth	9030'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Green River	1959'
	Wasatch	5224'
	Mesaverde	8094'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

The BOP stack will consist of one 11" 3,000 psi annular BOP, one 11" 3,000 psi double ram, and one 11' drilling spool. The lower ram will contain pipe rams, and the upper ram will contain blind rams.

The choke and kill lines and the choke manifold will have a 3,000 psi minimum pressure rating.

The hydrill will be tested to 1,500 psi. The rams, choke manifold, kelly safety valves, drill string safety valves, and inside BOP will be tested to 2,000 psi.

4. Proposed Casing & Cementing Program:

<i>SURFACE CASING</i>	<i>Depth</i>	<i>Hole Size</i>	<i>Csg Size</i>	<i>Wt/Ft</i>	<i>Grade</i>	<i>Type</i>
Kicker Sand Present	0-900'	11" or 12 1/4"	8-5/8"	24#	K-55	ST&C

<i>Surface Casing</i>	<i>Fill</i>	<i>Type & Amount</i>
Kicker Sand Present -- 0-900'	900'	255 sx Class "G" + 2% CaCl ₂ , 15.6 ppg, 1.19 cf/sx (Cement will be circulated to surface, about 25% excess).
<i>Production Casing</i>	<i>Type & Amount</i>	
500' above productive interval-surface	Lead: Extended, Lite, or Hi-Fill cement + additives, 11 ppg, 3.81 cf/sx.	
TD-500' above productive interval	Tail: Extended Class "G" or 50:50 Poz + additives, 14.3 ppg; or RFC, 14.0-14.5 ppg, 1.26 cf/sx.	

5. **Drilling Fluids Program:**

If the Kicker Sand is present, weighted mud (9.0 ppg or less) may be required. If hole conditions warrant, a mud system will be used.

<u>Depth</u>	<u>Type</u>	<u>Mud Wt.</u>
0-Trona	Air Mist	N/A
Trona-TD	Aerated Water	N/A
	Water/Mud	8.4-9.4
At TD	Brine	10-12 ppg

6. **Evaluation Program: (Logging)**

<u>Depth</u>	<u>Log Type</u>
SC-TD	DLL/Cal/SP/GR
2500'-TD	Neutron Density/GR
Optional	Sonic
Various	SWC's

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure approximately equals 3,692 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,662 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

**Ouray #1-101
SE/NE SECTION 1-T9S-R21E
UINTAH COUNTY, UTAH
FEE**

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**OURAY #1-101
SE/NE, SECTION 1-T9S-R21E
UINTAH COUNTY, UTAH
FEE**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

To reach the Ouray #1-101 location - Proceed in a westerly direction from Vernal, Utah along U.S. Highway 40 approximately 14.0 miles to the junction of State Highway 88; exit left and proceed in a southerly direction approximately 17.0 miles to Ouray, Utah; proceed in a southerly direction approximately 0.3 miles on the seep ridge road to the junction of this road and an existing road to the east; turn left and proceed in an easterly road to the east; turn left and proceed in an easterly direction approximately 3.4 miles to the junction of this road and an existing road to the northeast; proceed in an easterly, then northeasterly direction approximately 4.4 miles to the junction of this road and an existing road to the southeast; proceed in a southeasterly direction approximately 0.8 miles to the junction of this road and an existing road to the east; proceed in an easterly then southeasterly direction approximately 0.6 miles to the beginning of the proposed access to the south; follow road flags in a southerly direction approximately 0.3 miles to the proposed location.

Total distance from Vernal, Utah to the proposed well location is approximately 41.9 miles.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

Improvements to existing access roads shall be determined at the on-site inspection.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet, ***unless modified at the on-site inspection.*** Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities shall be determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Desert Brown, Munsell standard color number 10 YR 6/3.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

The need for a pipeline will be evaluated after the proposed well is drilled and tested. If a pipeline is necessary for production, the State will be notified prior to construction via Sundry Notice.

5. **Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. **Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids. *The need for a reserve pit liner will be determined at the on-site inspection.*

If a plastic reinforced liner is used, it will be a minimum of 12 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s). *This section is subject to modification as a result of the on-site inspection.*

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

If it is determined that a pit liner will be used at the on-site inspection, the reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic, nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface Ownership:

Media Beatrice ET AL
P.O. Box 673
Palmer, AK 99645

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey was conducted by Montgomery Archaeological Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery. Cultural resource clearance was recommended for this location.

13. Lessee's or Operators's Representative & Certification:

Cheryl Cameron
Environmental Analyst
Coastal Oil & Gas Corporation
P.O. Box 1148
Vernal, UT 84078
(435) 781-7023

Tom Young
Drilling Manager
Coastal Oil & Gas Corporation
9 Greenway Plaza, Suite 2770
Houston, TX 77046
(713) 418-4156

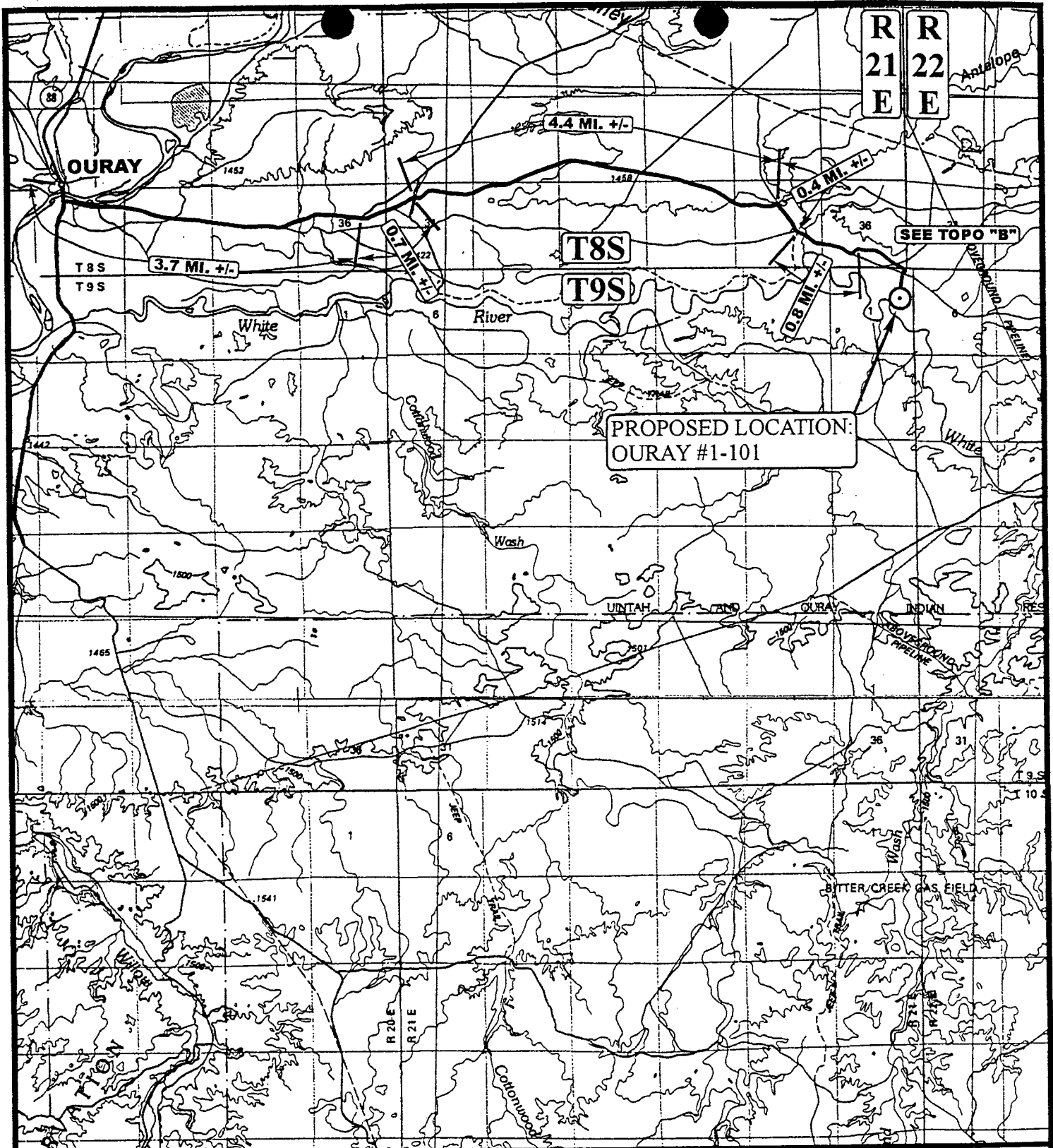
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Cheryl Cameron

9/3/99
Date



LEGEND:

○ PROPOSED LOCATION

COASTAL OIL & GAS CORP.

OURAY #1-101
SECTION 1, T9S, R21E, S.L.B.&M.
1663' FNL 664' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

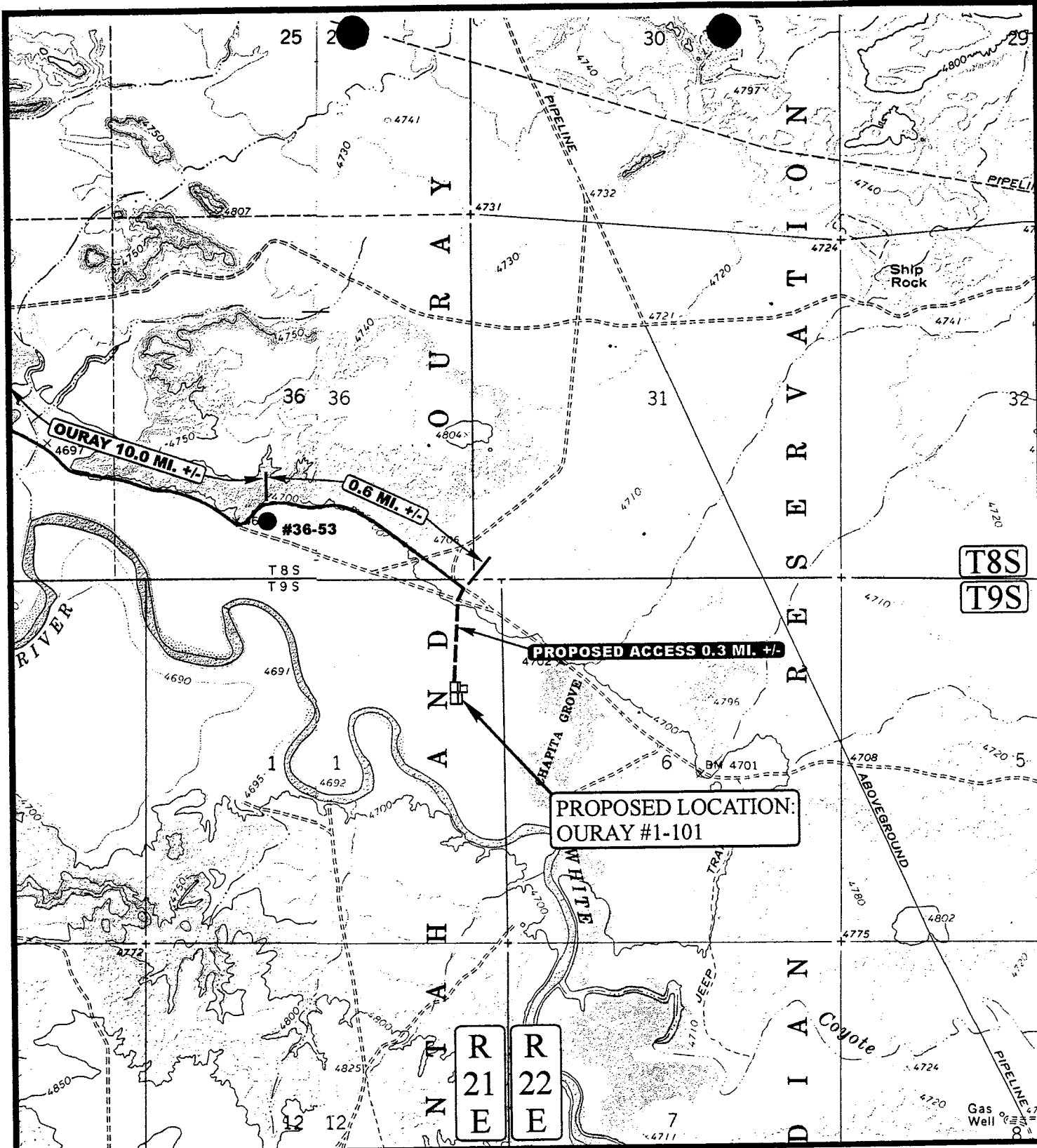


TOPOGRAPHIC
MAP

8 2 99
MONTH DAY YEAR

SCALE: 1 : 100,000 DRAWN BY: C.G. REVISED: 00-00-00





LEGEND:

--- PROPOSED ACCESS ROAD
— EXISTING ROAD

COASTAL OIL & GAS CORP.

OURAY #1-101

SECTION 1, T9S, R21E, S.L.B.&M.

1663' FNL 664' FEL

U
E
I
S

Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
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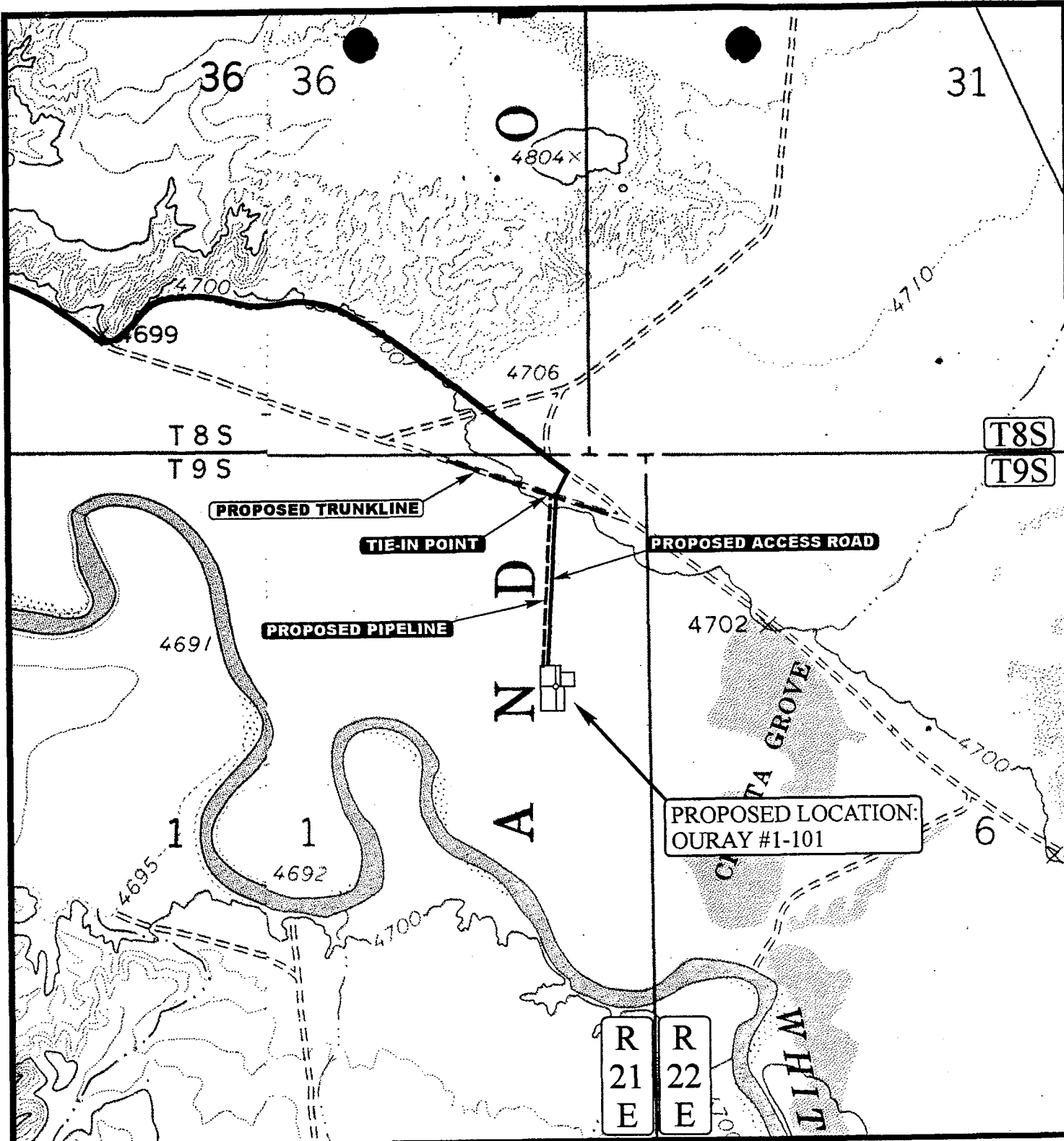


TOPOGRAPHIC
MAP

8 **2** **99**
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00

B
 TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 1250' +/-

LEGEND:

- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED ACCESS



COASTAL OIL & GAS CORP.

OURAY #1-101
SECTION 1, T9S, R21E, S.L.B.&M.
1663' FNL 664' FEL



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TOPOGRAPHIC
MAP

8 2 99
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.G. REVISED: 00-00-00

D
TOPO

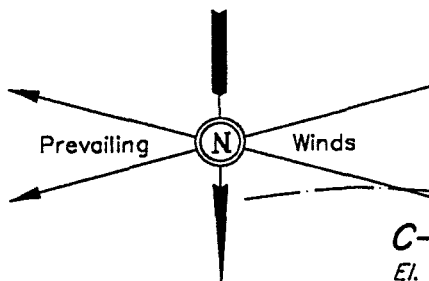
COASTAL OIL & GAS CORP.

LOCATION LAYOUT FOR

OURAY #1-101

SECTION 1, T9S, R21E, S.L.B.&M.

1663' FNL 664' FEL



Existing Drainage

C-0.6'
El. 98.4'

GRADE
El. 97.8'

C-0.5'
El. 98.3'

SCALE: 1" = 50'
DATE: 08-02-99
Drawn By: D.R.B.

Approx.
Top of
Cut Slope

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.



El. 98.6'
C-10.8'
(btm. pit)

FLARE PIT

C-0.8'
El. 98.6'

Bloaie Line

C-0.8'
El. 98.6'

C-0.5'
El. 98.3'

Sta. 1+50

C-0.4'
El. 98.2'

El. 98.7'
C-10.9'
(btm. pit)

El. 98.4'
C-0.6'

Reserve Pit Backfill
& Spoils Stockpile

C-0.7'
El. 98.5'

C-0.7'
El. 98.5'

C-0.6'
El. 98.4'

CONSTRUCT
DIVERSION
DITCH

Existing
Drainage

Proposed Access
Road

NOTES:

Elev. Ungraded Ground At Loc. Stake = 4698.3'

FINISHED GRADE ELEV. AT LOC. STAKE = 4697.8'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

COASTAL OIL & GAS CORP.

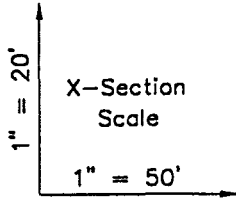
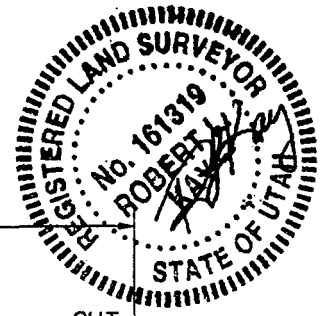
FIGURE #2

TYPICAL CROSS SECTIONS FOR

OURAY #1-101

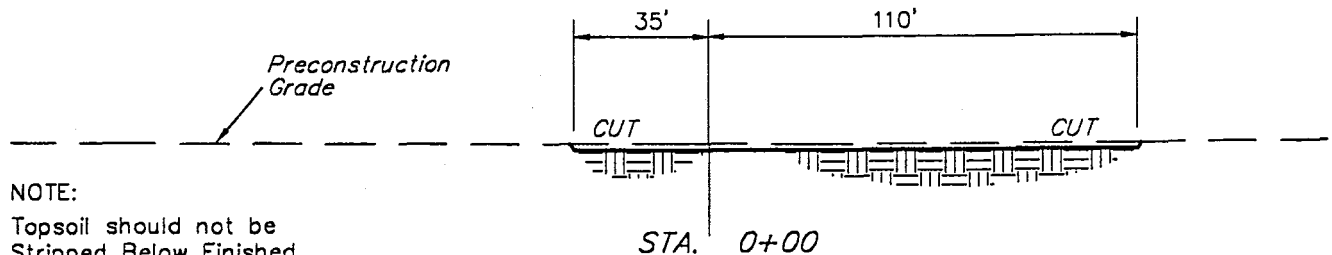
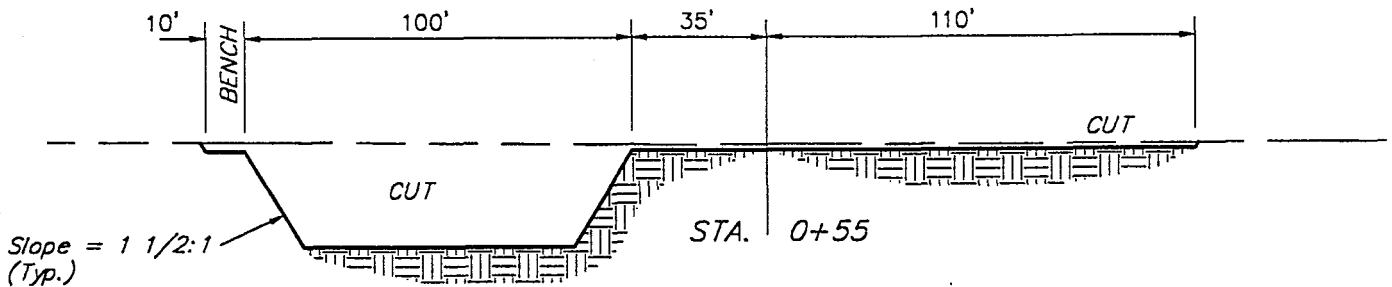
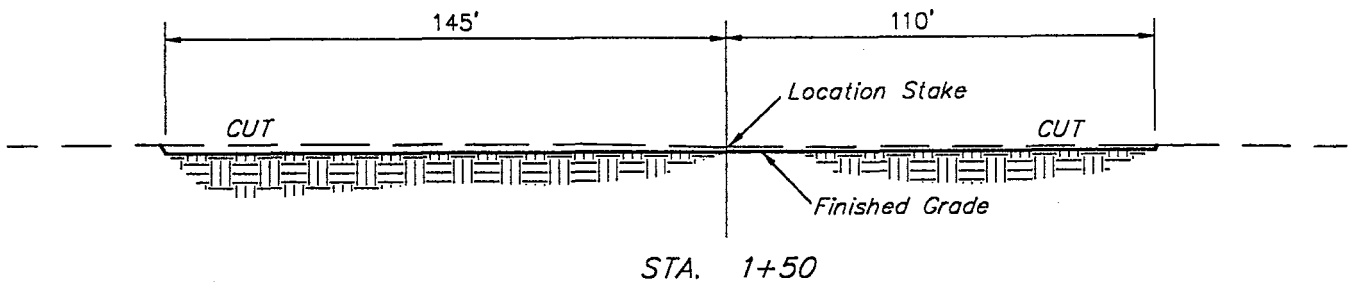
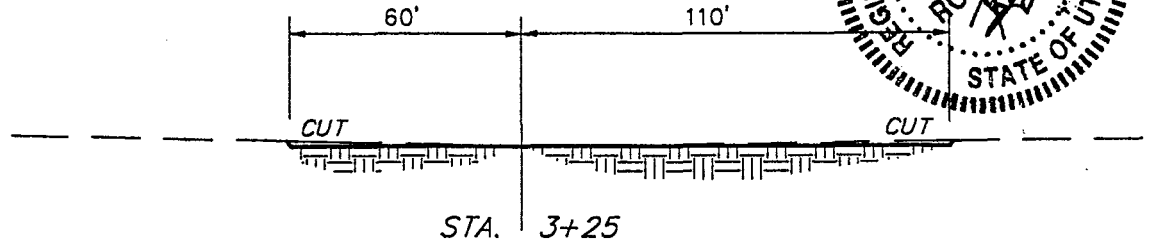
SECTION 1, T9S, R21E, S.L.B.&M.

1663' FNL 664' FEL



DATE: 08-02-99

Drawn By: D.R.B.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 2,290 Cu. Yds.
Remaining Location	= 2,620 Cu. Yds.
TOTAL CUT	= 4,910 CU.YDS.
FILL	= 1,060 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 3,790 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,630 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 160 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 788-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/07/1999

API NO. ASSIGNED: 43-047-33382

WELL NAME: OURAY 1-101
OPERATOR: COASTAL OIL & GAS CORP (N0230)
CONTACT: Cheryl Cameron (435) 781-7023

PROPOSED LOCATION:
SENE 01 - T09S - R21E
SURFACE: 1663-FNL-0664-FEL
BOTTOM: 1663-FNL-0664-FEL
UINTAH COUNTY
NATURAL BUTTES FIELD (630)

LEASE TYPE: FEE

LEASE NUMBER:

SURFACE OWNER: Fee

INSPECT LOCATN BY: / /

TECH REVIEW	Initials	Date
Engineering	esk	10-12-99
Geology		12-13-99 Revision
Surface		

PROPOSED FORMATION: ~~MVRD~~ CSLCT

RECEIVED AND/OR REVIEWED:

☒ Flat
☒ Bond: Fed[] Ind[] Sta[] Fee ☒
(No. 116053821)
☒ Potash (Y/N)
☒ Oil Shale (Y/N) *190-5(B)
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☐ R649-2-3. Unit
☐ R649-3-2. General
Siting:
☐ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 173-13 (8/320')
Eff Date: 3-24-99
Siting: 460' fr. Unit Boundary E. 920' between wells.
☐ R649-3-11. Directional Drill

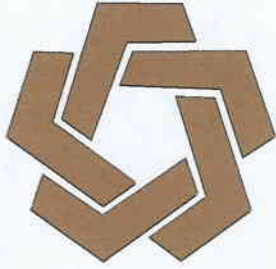
COMMENTS:

Need Presite. (Conducted 9-29-99)

Need surf agree / affidavit. (Rec'd 1-2-2000)

STIPULATIONS:

- ① In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing in properly cemented over the entire oil shale interval as defined by Rule R649-3-31. ~~For the purpose of this rule, the operator shall report the actual depth the oil shale is encountered to the Division.~~
- ② STATEMENT OF BASIS



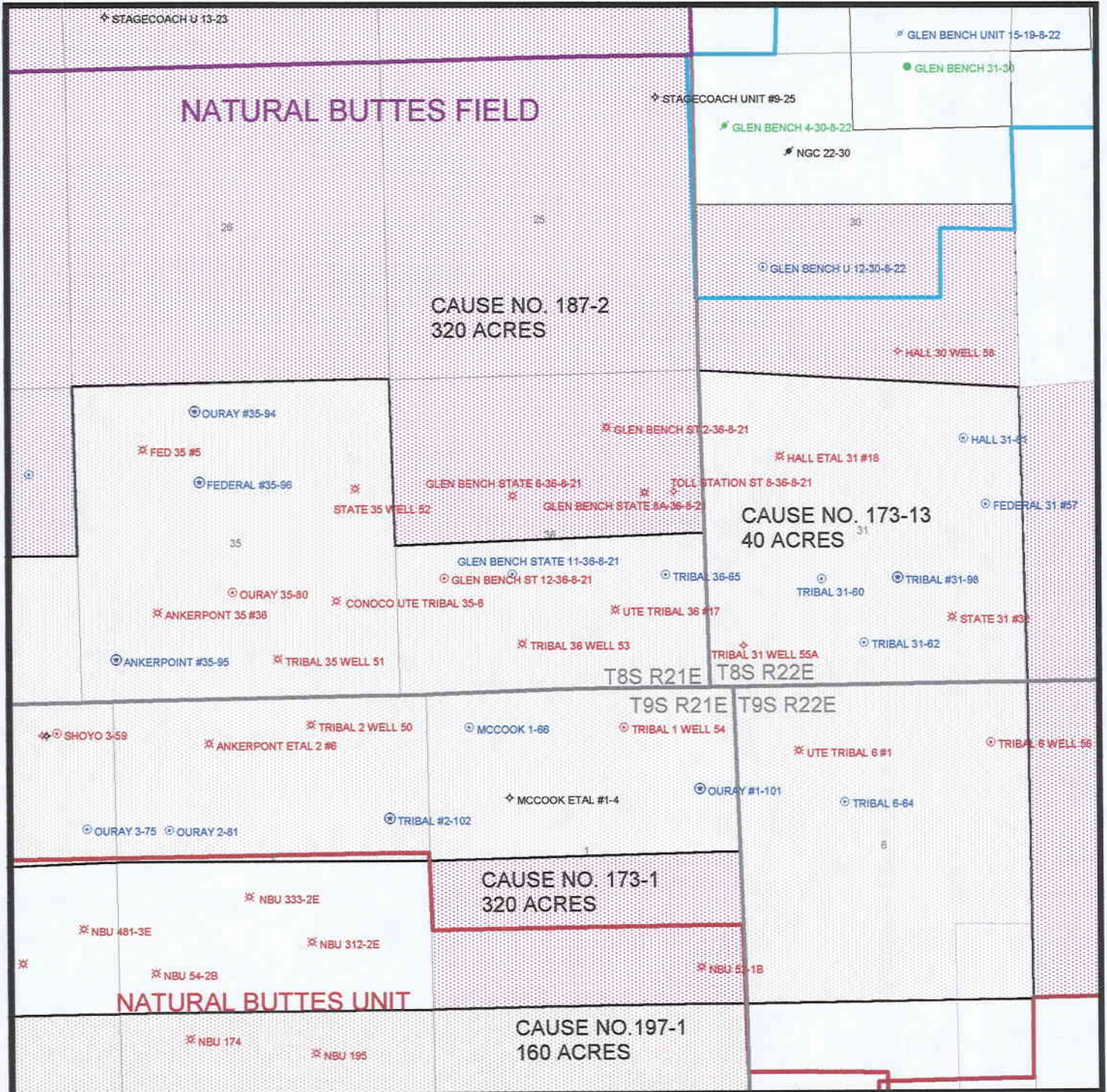
Division of Oil, Gas & Mining

OPERATOR: COASTAL OIL & GAS CORP. (N0230)

FIELD: NATURAL BUTTES (630)

SEC. 35 T8S R21E, SEC. 31, T8 S, R22E, & SEC.1 & 2 T9S, R21E

COUNTY: UINTAH CAUSE NO: 173-13



PREPARED
DATE: 13-SEP-1999

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: COASTAL OIL & GAS CORP.
WELL NAME & NUMBER: OURAY 1-101
API NUMBER: 43-047-33382
LEASE: FEE FIELD/UNIT: OURAY
LOCATION: 1/4, 1/4 SE/NE SEC: 1 TWP: 9S RNG: 21E
664' F E L 1663' F N L
LEGAL WELL SITING: Statewide 400 foot window in center of 40
acre tract and no closer than 920 feet from
another well; or Board Spaced area requiring
460 Setback and 920 From another well.
GPS COORD (UTM): 12628586E 4436165N
SURFACE OWNER: VIVIAN MAEZ

PARTICIPANTS:

TIM CHERVICK, CAROLL WILSON, MARK BONNIE, (C.O.G.C.); ROBERT
KAY, (U.E.L.S.); THREE DIRT CONTRACTORS; DAVID HACKFORD,
(D.O.G.M.)

REGIONAL/LOCAL SETTING & TOPOGRAPHY:

SITE IS IN A RELATIVELY FLAT AREA 1500' NORTHEAST OF WHITE RIVER.
CHAPITA GROVE IS 0.5 MILES EAST OF SITE. DRAINAGE IS TO THE
SOUTH.

SURFACE USE PLAN:

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING.
HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WOULD BE 325' BY 245'
AND ACCESS ROAD WOULD BE 0.3 MILES.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE
ATTACHED MAP FROM GIS DATABASE

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: _____
ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED
AFTER DRILLING WELL. PIPELINE WILL FOLLOW ACCESS ROAD AND
TIE INTO EXISTING PIPELINE 0.3 MILES TO THE NORTH.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL
WILL BE BORROWED FROM SITE DURING CONSTRUCTION OF LOCATION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS:

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: NATIVE GRASSES, GREASEWOOD, PRICKLY PEAR, CHEAT GRASS, SAGEBRUSH: RODENTS, COYOTES, SONGBIRDS, DEER, ELK, RAPTORS, PRONGHORN.

SOIL TYPE AND CHARACTERISTICS: LIGHT GRAY SANDY CLAY.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION. SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION SHOULDN'T CAUSE ANY INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

RESERVE PIT:

CHARACTERISTICS: 100' BY 100' AND 10' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached):
A 12 MIL LINER WILL BE REQUIRED FOR RESERVE PIT.

SURFACE RESTORATION/RECLAMATION PLAN:

AS PER LANDOWNER AGREEMENT OR AS DIRECTED BY DIVISION.

SURFACE AGREEMENT: A SURFACE AGREEMENT HAS NOT BEEN SIGNED AT THIS TIME.

CULTURAL RESOURCES/ARCHAEOLOGY: SITE WAS INSPECTED BY MONTGOMERY ARCHAEOLOGICAL CONSULTANTS. A REPORT OF THIS INVESTIGATION WILL BE PLACED ON FILE.

OTHER OBSERVATIONS/COMMENTS:

THE PRE-DRILL INVESTIGATION TOOK PLACE ON 9/29/99, A WARM, SUNNY DAY.

ATTACHMENTS:

PHOTOS OF SITE WILL BE PLACED ON FILE.

DAVID W. HACKFORD
DOGM REPRESENTATIVE

9/29/99-11:00 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and On-site Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>15</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>2</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	15	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>0</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	15	
TDS >10000 or Oil Base	20	
Mud Fluid containing high levels of hazardous constituents		<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
Final Score		<u>22</u>

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

Operator Name: COASTAL OIL & GAS CORP.

Well Name & Number: OURAY 1-101

API Number: 43-047-33382

Location: 1/4, 1/4 SE/NE Sec. 1 T. 9S R. 21E

Geology/Ground Water:

The depth to the moderately saline ground water at this location is estimated to be at approximately 100'. A search of records with the Division of Water Rights shows no underground water appropriations within 10000' of the proposed location. The near-surface geology of this area is made up of the interbedded sandstones and shales of the Uinta Formation. The sands of the Uinta Formation are lenticular and discontinuous and would not constitute an extensive water reservoir. The proposed casing should adequately protect any potential underground sources of useable water.

Reviewer: Brad Hill

Date: 10/13/99

Surface:

The pre-drill investigation of the surface was performed on 9/29/99. Surface owner is Vivian Maez. I spoke with her over the telephone on 9/12/99. She told me she could not attend this investigation, and that she had not signed a landowner agreement. She lives in Alaska, and her telephone number is (907) 745-5128. Site is a legal location per general state siting rule. This site appears to be the best spot for a location in the immediate area. Moving location to the south toward the middle of the drilling window will put well closer to the White River.

Reviewer: David W. Hackford

Date: 9/30/99

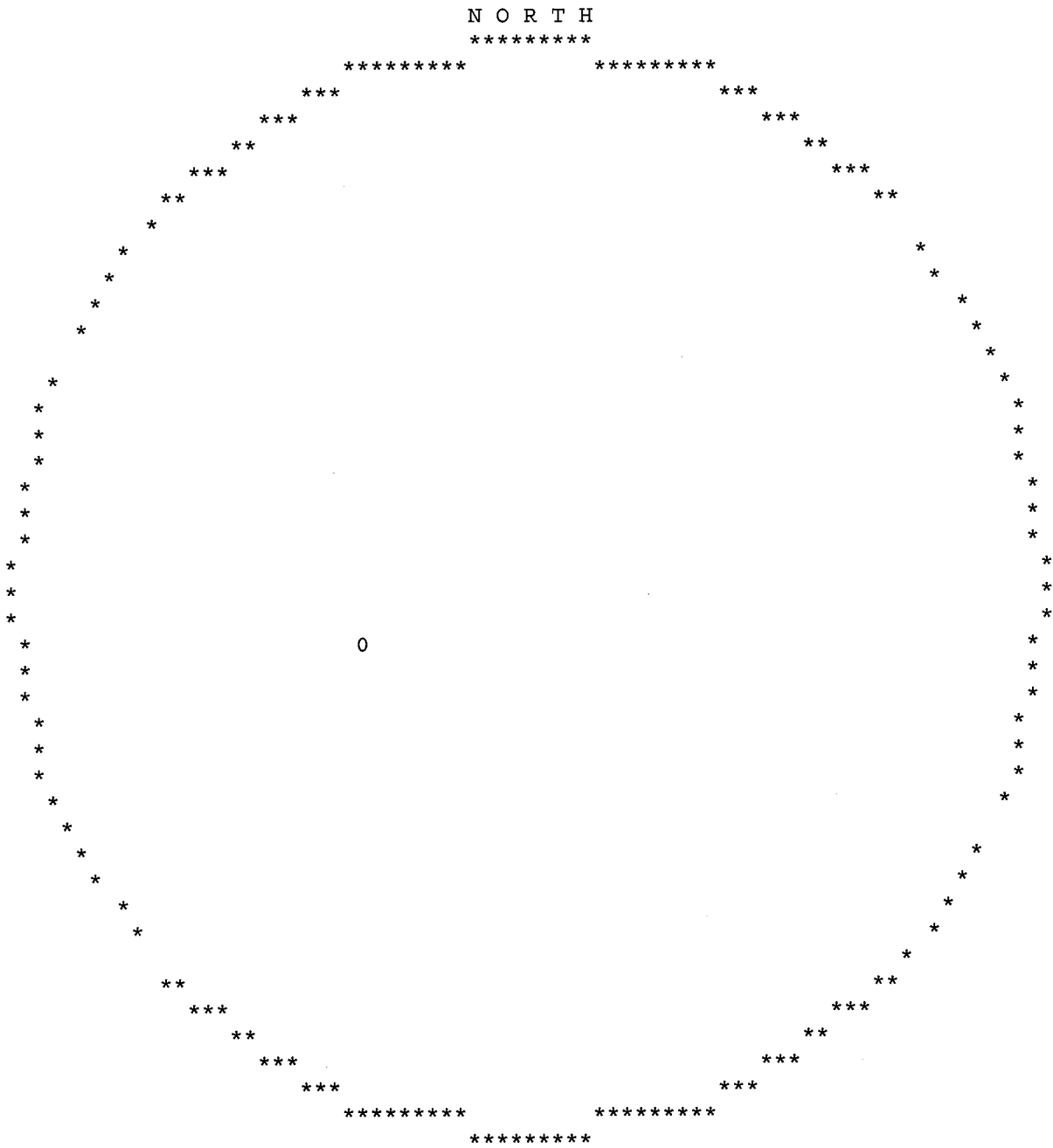
Conditions of Approval/Application for Permit to Drill:

1. A 12 mil liner will be required in the reserve pit.

UTAH DIVISION OF WATER RIGHTS
WATER RIGHT POINT OF DIVERSION PLOT CREATED WED, OCT 13,
PLOT SHOWS LOCATION OF 1 POINTS OF DIVER

PLOT OF AN AREA WITH A RADIUS OF 10000 FEET FR
FEET, FEET OF THE CT CORNER,
SECTION 1 TOWNSHIP 9S RANGE 21E SL BASE AN

PLOT SCALE IS APPROXIMATELY 1 INCH = 4000 FEET



MAP CHAR	WATER RIGHT	QUANTITY CFS	AND/OR AC-FT	SOURCE DESCRIPTION DIAMETER	or WELL INFO DEPTH	POINT YEAR LOG	NORTH	EA
0	<u>49 1636</u>	.0000	1.00	White River		N	1900	W
		WATER USE(S): OTHER						
		Sterling Construction			1352 East 135 South			











Well name:

10-99 Coastal Ouray #1-101Operator: **Coastal**String type: **Surface**

Project ID:

43-047-33382

Location: **Uintah County****Design parameters:****Collapse**

Mud weight: 8.330 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 75 °F

Bottom hole temperature: 88 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 250 ft

Cement top: Surface

Burst

Max anticipated surface

pressure: -11,812 psi

Internal gradient: 13.558 psi/ft

Calculated BHP 389 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 787 ft

Re subsequent strings:

Next setting depth: 7,500 ft

Next mud weight: 9.000 ppg

Next setting BHP: 3,506 psi

Fracture mud wt: 19.250 ppg

Fracture depth: 7,500 ft

Injection pressure 7,500 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ()
1	900	8.625	24.00	K-55	ST&C	900	900	7.972	7544
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	389	1370	3.52	389	2950	7.58	19	263	13.92 J

Prepared RJK
by: Utah Dept. of Natural Resources

Date: October 12, 1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 900 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes.

In addition, burst strength is biaxially adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

10-99 Coastal Ouray #1-101Operator: **Coastal**String type: **Production**

Project ID:

43-047-33382

Location: **Uintah County****Design parameters:****Collapse**

Mud weight: 9.500 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 75 °F

Bottom hole temperature: 204 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 250 ft

Cement top: Surface

Burst

Max anticipated surface

pressure: 0 psi

Internal gradient: 0.494 psi/ft

Calculated BHP 4,555 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 7,919 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ()
1	9230	4.5	11.60	N-80	LT&C	9230	9230	3.875	48380
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4555	6350	1.39	4555	7780	1.71	92	223	2.43 J

Prepared RJK
by: Utah Dept. of Natural Resources

Date: October 12, 1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

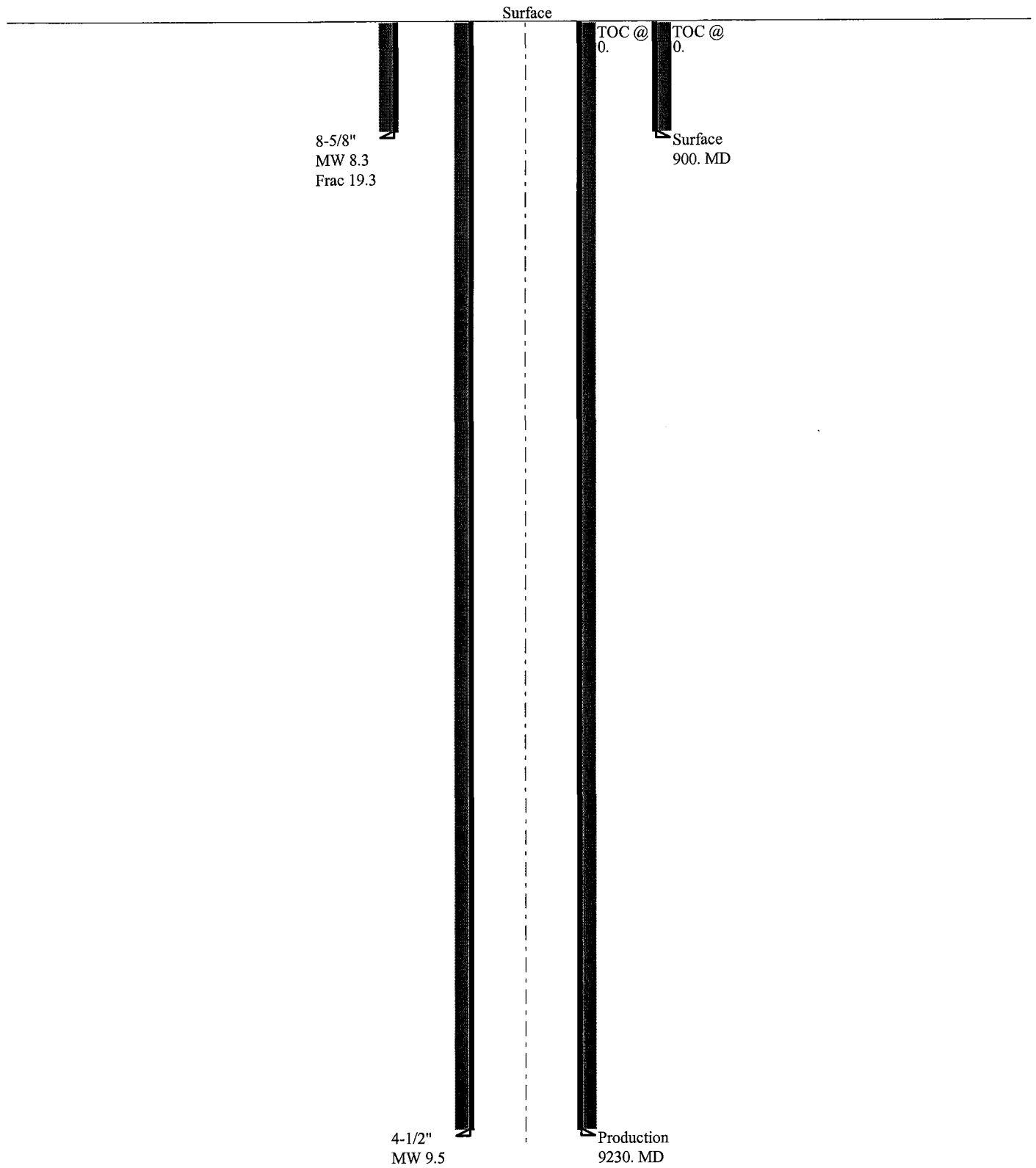
Collapse is based on a vertical depth of 9230 ft, a mud weight of 9.5 ppg. The casing is considered to be evacuated for collapse purposes.

In addition, burst strength is biaxially adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

10-99 Coastal Ouray #1-10

Casing Schematic



STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such purposes

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone Number.

P.O. Box 1148, Vernal UT 84078

(435) - 781 - 7023

4. Location of Well

Footages: 664' FSL & 1663' FWL

QQ, Sec., T., R., M.: SENE Sec. 1, T9S, R21E

5. Lease Designation and Serial Number

FEE

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

U-73246

8. Well Name and Number:

Ouray #1-101

9. API Well Number:

43-047-33382

10. Field and Pool, or Wildcat

Ouray

County: Uintah County

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other | TD Change to Castlegate |

Approximate date work will start Upon Approval

SUBSEQUENT REPORT (Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon* | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other | |

Date of work completion _____

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Coastal Oil & Gas Corporation requests authorization to change the Mesaverde TD 9232' to 11344', in order to drill to the Castlegate formation.

Please refer to the attached drilling program.

RECEIVED
DEC 09 1999
DIVISION OF OIL, GAS & MINING

13. Name & Signature Sheila Upchego Title Environmental Jr. Analyst

Date 12/6/99

(This space for State use only)

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 12/14/99

By: [Signature]

Coastal Oil & Gas Corporation
Ouray #1-101
SE/NE Sec.1,T9S,R21E
Uintah County, Utah

GEOLOGICAL SURFACE FORMATION:

SE/NE Sec.1,T9S,R21E- 1663'FNL & 664'FEL

ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

<u>Formation</u>	<u>Estimated Top</u>
KB	4714'
GREENRIVER	1959'
WASATCH	5224'
MESAVERDE	8094'
CASTLEGATE	10444'
TD	11344'

PROPOSED CASING PROGRAM:

See Attached Drilling Program

DRILLING FLUIDS PROGRAM:

See Attached Drilling Program

TESTING LOGGING AND CORING:

See Attached Drilling Program

CEMENTING PROGRAM:

<u>Casing</u>	<u>Coverage</u>	<u>Volume</u>	<u>Type & Activities</u>
---------------	-----------------	---------------	------------------------------

See Attached Drilling Program

Intermediate

See Attached Drilling Program

Production

See Attached Drilling Program

COMPANY NAME	Coastal Oil & Gas Corporation	DATE	12/3/99
WELL NAME	Ouray #1-101	TD	11,144'
FIELD	Ouray	COUNTY	Uintah
		STATE	Utah
		ELEVATION	
SURFACE LOCATION	Sec 1 T9S-R21E	BHL	Straight Hole
OBJECTIVE ZONE(S)	Lower Green River, Wasatch, Mesaverde, Castlegate		
ADDITIONAL INFO	Castlegate is overpressured requiring 10.5 - 11.5 ppg MW. Set 7" int. casing if hole conditions require.		

COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

CASING PROGRAM

	DESIGN FACTORS							
	SIZE	INTERVAL	WT.	GR.	CPLG.	BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
SURFACE	9-5/8"	0-2,500'	36#	K-55	STC	2.53	1.73	2.23
PRODUCTION	5-1/2"	0-TD	17#	S-95/P-110	LTC	SPECIFIED BY PROD DEPT		
TUBING								

CEMENT PROGRAM

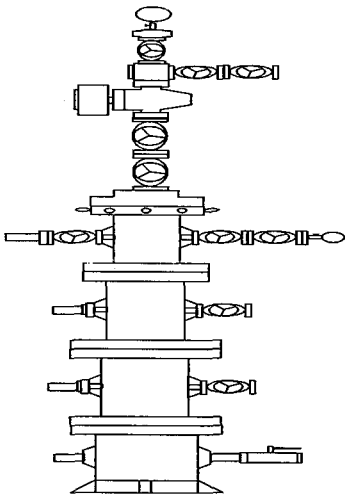
		FT. OF FILL	DESCRIPTION	SACKS	EXCESS*	WEIGHT	YIELD
SURFACE	LEAD	0-2,000'	Lite + 2% CaCl2 + 0.25 lb/sk Flocele	520	50%	12.70	1.82
	TAIL	2,000'-2,500'	Class G + 2% CaCl2 + 0.25 lb/sk Flocele	220	50%	15.60	1.19
PRODUCTION	LEAD	0-5,000' (5,000')	Lead + 0.6% Econolite + 0.25 lb/sk Flocele + 0.2% FWCA + 10 lb/sk Gilsonite + 16% Gel + 1% HR-7 + 3% KCl	420	25%	11.00	3.80
	TAIL	5,000'-11,144' (6,144')	50/50 Poz +0.25 lb/sk Flocele + 0.6% HALAD-322 + 2% Gel + 2% MicroBond HT + 5% Salt	1,580	25%	14.35	1.24

*or 15% over caliper.

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Float shoe, 1 jt, float collar. Centralize first 3 joints & every fourth joint to surface. Thread lock FE & casing up to & including box end of FC.
PRODUCTION	Float shoe, 2 jts, float collar. Centralize first 3 joints & every other joint across pay zones. Thread lock FE & casing up to & including box end of FC.

WELLHEAD EQUIPMENT



TREE	2-1/16" 10M
TUBING HEAD	11" 5M X 7-1/16" 10M
CASING SPOOL	
CASING SPOOL	
CASING HEAD	9-5/8" SOW X 11" 5M

BIT PROGRAM

INTERVAL	SIZE	BIT MFG & MODEL	GPM	SER	NZLS	COMMENTS
Surface Hole	12-1/4"	Various	Air			
SC - Top of Wasatch	8-3/4"	Various	450-350			(No air below surf csg)
Wasatch	8-3/4"	Various (PDC)	450-350		0.5 TFA	
Mesaverde/Castlegate	8-3/4"	Various	400-300			

GEOLOGICAL DATA

LOGGING:

Depth	Log Type
SC - TD	DLL/Cal/SP/GR
SC - TD	Neutron/Density/GR
Optional	Sonic
Various	SWC's

MUD LOGGER:
 2,500' - TD

SAMPLES:
 As per Geology

CORING:
 SWC's at selective intervals.

DST:
 As per Geology

MUD PROGRAM

DEPTH	TYPE	MUD WT	WATER LOSS	VISCOSITY	TREATMENT
0-2,500'	Air/Mist/ Aerated Water	NA	NA		KCL
2,500'-TD	Water/Mud	8.5-11.5	NC - <10	30-45	KCL, Gel, LCM, Polymer

ADDITIONAL INFORMATION

Test casing head to 1,000 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 3,500 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Run Totco survey every 500' from surface casing shoe to TD. Maximum allowable hole angle is 5 degrees.

PROJECT ENGINEER:
 Blaine Yeary
 DATE:

PROJECT MANAGER:
 Tom Young
 DATE:

Well name:

1299 Revision Coastal Ouray #1-101Operator: **Coastal**String type: **Surface**

Project ID:

43-047-33382

Location: **Uintah County****Design parameters:****Collapse**

Mud weight: 8.330 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 75 °F

Bottom hole temperature: 110 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 250 ft

Cement top: 1,600 ft

Burst

Max anticipated surface

pressure: -32,814 psi

Internal gradient: 13.558 psi/ft

Calculated BHP 1,082 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 2,192 ft

Re subsequent strings:

Next setting depth: 7,500 ft

Next mud weight: 9.000 ppg

Next setting BHP: 3,506 psi

Fracture mud wt: 19.250 ppg

Fracture depth: 7,500 ft

Injection pressure 7,500 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ()
1	2500	9.625	36.00	K-55	ST&C	2500	2500	8.765	29316
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1082	2020	1.87	1082	3520	3.25	79	423	5.36 J

Prepared RJK
by: Utah Dept. of Natural Resources

Date: December 13, 1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 2500 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes.

In addition, burst strength is biaxially adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	1299 Revision Coastal Ouray #1-101		
Operator:	Coastal	Project ID:	43-047-33382
String type:	Production		
Location:	Uintah County		

Design parameters:

Collapse

Mud weight: 11.500 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 231 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 250 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 1,158 psi
Internal gradient: 0.494 psi/ft
Calculated BHP 6,657 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 9,201 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ()
1	11144	5.5	17.00	S-95	LT&C	11144	11144	4.767	91737
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	6657	8580	1.29	6657	9190	1.38	156	392	2.51 J

Prepared RJK
by: Utah Dept. of Natural Resources

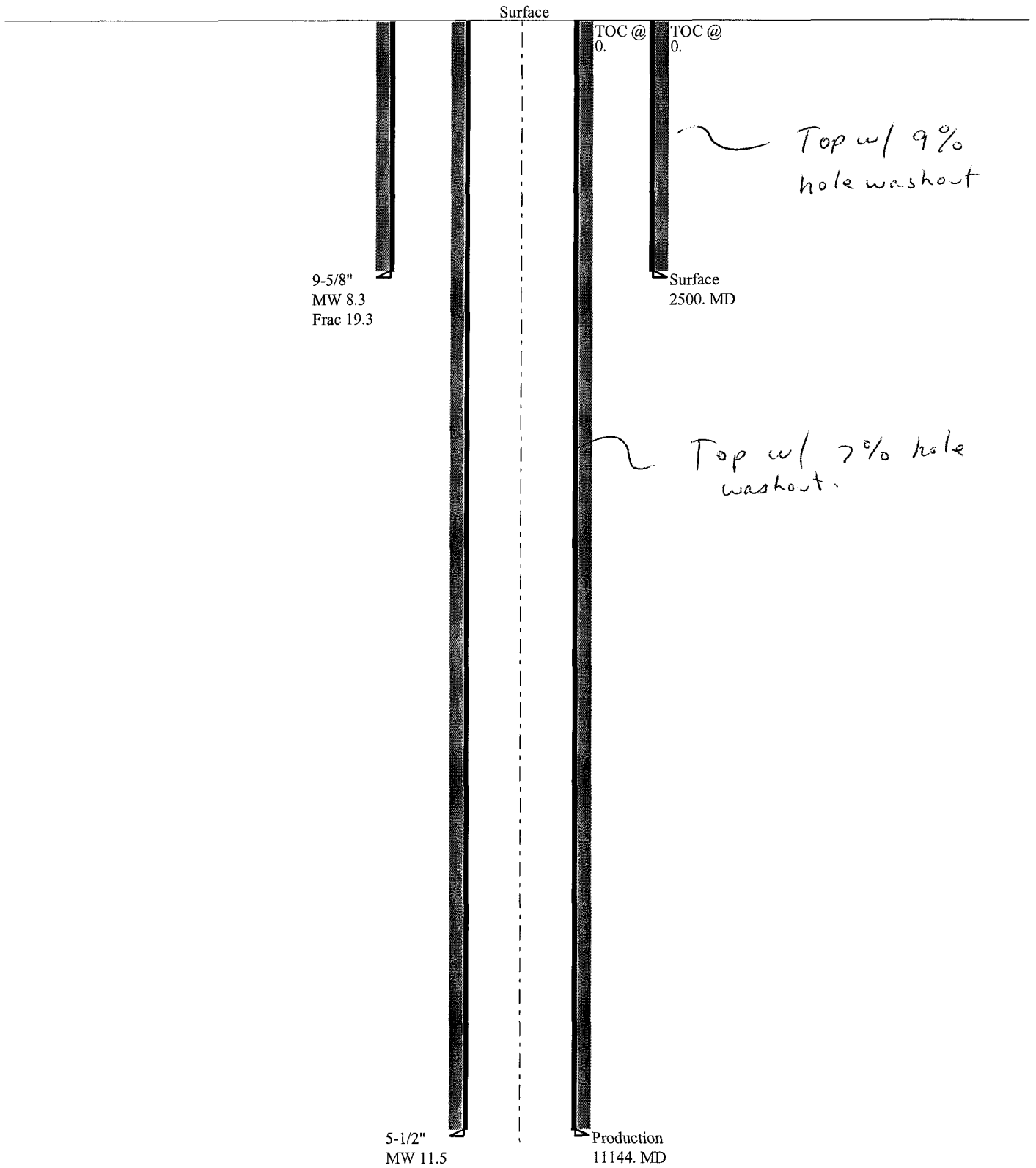
Date: December 13,1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 11144 ft, a mud weight of 11.5 ppg The casing is considered to be evacuated for collapse purposes.
In addition, burst strength is biaxially adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

2299 Revision Coastal Ouray 101
Casing Schematic





January 31, 2000

State of Utah
Division of Oil, Gas and Mining
1594 West North Temple, Suite 12010
Salt Lake City, UT 84180

Attention: Ms. Lisha Cordova

RECEIVED
FEB 02 2000
DIVISION OF
OIL, GAS AND MINING

Re: Ouray Field Development
Surface Use Agreements
Fourteen Development Wells
Uintah County, Utah

Dear Ms. Cordova:

Coastal Oil & Gas Corporation, either through its own regulatory personnel or through Buys & Associates, Inc., has filed Application's For Permit To Drill fourteen development wells in the Ouray Field on privately owned lands located in Sections 35 and 36, Township 8 South, Range 21 East; Sections 30 and 31, Township 8 South, Range 22 East; Section 1, Township 9 South, Range 21 East; and Section 6, Township 9 South, Range 22 East. You have asked for Coastal to furnish surface use agreements in compliance with R649-3-24.3 of the General Rules and Regulations of the Board of Oil, Gas and Mining in order for the Applications to be processed and approved.

After consultation with counsel, and Mr. John Baza of the Division, the following documents and materials are enclosed:

- 1) A copy of a letter from Mr. Phillip Lear of the firm of Snell & Wilmer, L.L.P., documenting his discussion with Mr. Baza and addressing the need for surface use agreements under R649-3-24.3 the in cases where the surface and mineral estates are combined and covered by a valid oil and gas lease;
- 2) Original Affidavits (3) given by myself to document ownership of the lands involved with the fourteen Applications; and

Coastal Oil & Gas Corporation

A SUBSIDIARY OF THE COASTAL CORPORATION
1368 S 1200 E • P.O. BOX 1148 • VERNAL UT 84078 • 435/789-4433 • FAX 435/789-4436

ESMTS-00.023

- 3) Copies of the surface agreements which have been acquired to date under the terms of the various oil and gas leases applicable to the lands involved with the fourteen Applications which agreements are being provided as an act of good faith, inasmuch as Mr. Lear's letter indicates that, according to his conversations with Mr. Baza, only the Affidavit's are required under the regulations).

The final pre site inspections were conducted on January 20, 2000; and, if you now find everything in order, please complete the processing to approval of these fourteen Applications at your earliest convenience.

Very Truly Yours,

A handwritten signature in dark ink, appearing to read 'Carroll A. Wilson', with a long horizontal line extending to the right.

Carroll A. Wilson
Sr. Landman

CC (letter only):

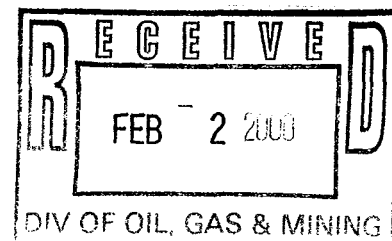
Cheryl Cameron - Regulatory Affairs

Martin Buys
Buys & Associates, Inc.

**BEFORE THE DIVISION OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

IN THE MATTER OF THE
APPLICATION OF COASTAL OIL
AND GAS CORPORATION FOR A
PERMIT TO DRILL OR RE-ENTER
THE OURAY # 36-97, OURAY #1-141,
OURAY #1-101 AND OURAY SWD #1
WELLS IN THE OURAY FIELD IN
UINTAH COUNTY, UTAH,
PURSUANT TO R649-3-34 OF THE
GENERAL RULES AND
REGULATIONS OF THE BOARD OF
OIL, GAS AND MINING
PERTAINING TO SURFACE USE
AND ACCESS AGREEMENTS

**AFFIDAVIT
OF
CARROLL A. WILSON**



STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

CARROLL A. WILSON, being duly sworn, deposes and says that:

1. He is a citizen of the United States and a resident of Uintah County, Utah; and he is over the age of twenty-one years.
2. He is a Registered Land Professional, #22233, and a member in good standing with the American Association of Professional Landmen since January 1, 1975.
3. He is employed with Coastal Oil & Gas Corporation ("Coastal") as a Senior Landman for oil and gas operations in the Uinta Basin.

4. Coastal is a Delaware corporation in good standing, having its principal place of business in Houston, Texas. Coastal is authorized to do, and is doing, business in the State of Utah.

5. As a Senior Landman for Coastal, he is tasked with the acquisition of oil and gas leases, easements, and rights-of-way; and negotiations for settlement of entry fees and surface damages for access roads, pipelines, or wells drilled and operated by Coastal.

6. He is knowledgeable concerning Coastal's leasehold, access, and operational rights with respect to the following described privately owned lands in the Ouray Field of Uintah County, Utah, to wit:

Township 8 South, Range 21 East, S.L.M.

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, S.L.M.

Section 1: Lot 1, SE $\frac{1}{4}$ NE $\frac{1}{4}$,
NE $\frac{1}{4}$ SE $\frac{1}{4}$


(containing 169.19 acres, more or less)

7. He is familiar with Rule R659-3-34 of the General Rules and Regulations of the Utah Board of Oil, Gas and Mining ("**Board**") pertaining to surface use and access and to well site restoration.

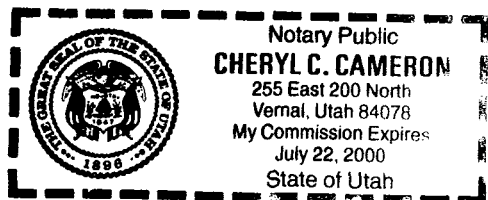
8. He represents that the surface and mineral estates are fully integrated as one estate owned by the same party or parties who are also the lessors of record of the existing oil and gas leases, or their successors in title.

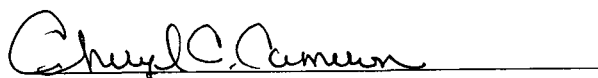
9. He represents that surface use and access rights affecting these lands are governed by the terms of those certain Oil and Gas Leases dated December 8, 1977, and May 20, 1978 between the owners and Continental Oil Company (also known as "Conoco Inc."), Coastal's immediate predecessor in title.

DATED this 27th day of January, 2000.


Carroll A. Wilson

SUBSCRIBED TO AND SWORN before me this 27 day of January, 2000.




Notary Public
Residing in: _____

My Commission Expires:

Snell & WilmerL.L.P.
LAW OFFICES111 East Broadway, Suite 900
Salt Lake City, Utah 84111
(801) 237-1900
Fax: (801) 237-1950

SALT LAKE CITY, UTAH

PHOENIX, ARIZONA

TUCSON, ARIZONA

IRVINE, CALIFORNIA

January 28, 2000

Carroll A. Wilson
Senior Landman
Coastal Oil & Gas Corporation
1176 East 1500 South
Vernal, UT 84078VIA FACSIMILE TRANSMISSION
(435) 789-4436**RECEIVED**

FEB 02 2000

DIVISION OF
OIL, GAS AND MININGRe: Surface Access and Use Agreements
Utah Admin. Code R649-3-34 (1999)

Dear Mr. Wilson:

You have inquired whether or not surface use agreements are necessary when conducting operations on an oil and gas lease on fee (private) lands. You advised me that the Utah Division of Oil, Gas and Mining ("Division") is holding your Application for Permit to Drill in abeyance pending you submitting a surface use agreement between Coastal Oil & Gas Corporation and the landowner. This letter contains our answer to your inquiry.

The oil and gas lease is, in part, a contract between the landowner and the lessee. When the surface and mineral ownership are the same, the lease embodies the entire agreement between the parties for both surface and subsurface use. No separate surface use agreement is necessary. (Citations omitted).

However, the General Rules and Regulations of the Board of Oil, Gas and Mining do require a surface use agreement covering well-site restoration of privately owned lands. See Utah Admin. Code R649-3-34.3 (1999). The requirement is that the well-site be restored according to the requirements of the surface owner; or when there is no surface use agreement with the surface owner, then according to the minimum standards established by the Division. See *id.* R649-3-24.3. The regulation applies when a new well is drilled, a plugged well is re-entered, or a new operator assumes operatorship of existing wells. See *id.* R649-3-34.6. This regulation contemplates both the leasehold involving consolidated mineral and surface estates or split estates, when the surface and minerals are owned by different parties. In the former situation, the lease constitutes the surface use agreement. In the latter, the oil and gas operator has no contractual relationship with the surface owner. To fully comply with the regulation, the operator submits an affidavit stating either that he has a surface use agreement or that no separate surface agreement is necessary because the oil and gas lease covers all rights of the parties. See R649-3-34.7. The affidavit should be submitted to the Division as part of the APD packet. *Id.*

Snell & Wilmer

LLP

Carroll A. Wilson

January 28, 2000

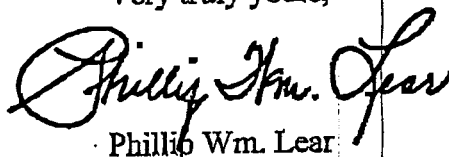
Page 2

This procedure has been confirmed by Mr. John R. Baza, Associate Director—Oil and Gas in recent discussions.

You raised the immediate question in the context of drilling a salt water disposal well on a private lease granted by a lessor who owns both the surface and mineral estates. The fact that the well is ultimately to be a salt water disposal well has no bearing on the interpretation of the regulation.

Should you have any further questions, please contact me.

Very truly yours,



Phillip Wm. Lear

cc: G. Len Miles
Donald H. Spicer
Carl F. Baker, Esq.

DAMAGE RELEASE

STATE OF Colo. §

KNOW ALL MEN BY THESE PRESENTS:

DENVER COUNTY §

THAT the undersigned **Ronald D. Lujan**, whose address is 3549 West Amherst, Avenue, Denver, CO 80236-2505, for and in consideration of the payment of the sum of six hundred and no/100 dollars (\$ 600.00), paid by Coastal Oil & Gas Corporation (Coastal) the full receipt and sufficiency of which is hereby acknowledged, has released, discharged and acquitted and does by these presents hereby release, discharge and acquit Coastal, its parent and affiliates, its and their officers, directors, employees and agents, its successors and assigns of any and all liability to the undersigned, their heirs and assigns for any and all damages to land surface and grass and/or crops thereon, resulting from operations conducted by or on behalf of Coastal on the following described tract of land:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

AND, for the same consideration, the undersigned, **Ronald D. Lujan**, does hereby agree that every claim that (s)he has, or may have, as a result of any operations conducted by or on behalf of Coastal including construction of necessary access roads or pipelines and including operations for drilling, completing, equipping and producing four wells **described on Exhibit "A", attached hereto and made a part hereof**, is in all things fully satisfied, released and discharged. Further, the undersigned does hereby agree to exonerate, indemnify, protect, defend, hold harmless and save Coastal, its officers, employees, agents and shareholders from and against any claims, damages, causes of action, suits, costs and attorney fees, including third party claims for injury to real or personal property damage from or in connection with operation for drilling, completing, equipping and producing the aforesaid wells.

IN WITNESS WHEREOF, this release is executed this 28 day of Dec, 1999.

Sharon Karr
My Commission Expires
October 11, 2001

Sharon Karr
Notary Public - State of Colo. Arapahoe City

Ronald D. Lujan 12-28-99
Ronald D. Lujan

SS# 521-80-2717

EXHIBIT "A"

Attached to and Made a Part of a Damage Release Covering the Following Described Lands:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

<u>Well Name</u>	<u>Location</u>
Ouray #36-97	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 36, T8S, R21E
Ouray # 1-141	Lot 1 Section 1, T9S, R21E
Ouray SWD #1	Lot 1 Section 1, T9S, R21E
Ouray # 1-101	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 1, T9S, R21E

DAMAGE RELEASE

STATE OF CA. §
La. COUNTY §

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned **Elizabeth Duran**, whose address is 14716 Freeman Avenue, Lawndale, CA 90260-1610, for and in consideration of the payment of the sum of six hundred and no/100 dollars (\$ 600.00), paid by Coastal Oil & Gas Corporation (Coastal) the full receipt and sufficiency of which is hereby acknowledged, has released, discharged and acquitted and does by these presents hereby release, discharge and acquit Coastal, its parent and affiliates, its and their officers, directors, employees and agents, its successors and assigns of any and all liability to the undersigned, their heirs and assigns for any and all damages to land surface and grass and/or crops thereon, resulting from operations conducted by or on behalf of Coastal on the following described tract of land:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

AND, for the same consideration, the undersigned, **Elizabeth Duran**, does hereby agree that every claim that (s)he has, or may have, as a result of any operations conducted by or on behalf of Coastal including construction of necessary access roads or pipelines and including operations for drilling, completing, equipping and producing four wells **described on Exhibit "A", attached hereto and made a part hereof**, is in all things fully satisfied, released and discharged. Further, the undersigned does hereby agree to exonerate, indemnify, protect, defend, hold harmless and save Coastal, its officers, employees, agents and shareholders from and against any claims, damages, causes of action, suits, costs and attorney fees, including third party claims for injury to real or personal property damage from or in connection with operation for drilling, completing, equipping and producing the aforesaid wells.

IN WITNESS WHEREOF, this release is executed this 27 day of Dec.,
1999.

Elizabeth Duran
Elizabeth Duran

SS#

523-52-7903

EXHIBIT "A"

Attached to and Made a Part of a Damage Release Covering the Following Described Lands:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

Well Name

Location

Ouray #36-97

SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 36, T8S, R21E

Ouray # 1-141

Lot 1

Section 1, T9S, R21E

Ouray SWD #1

Lot 1

Section 1, T9S, R21E

Ouray # 1-101

SE $\frac{1}{4}$ NE $\frac{1}{4}$

Section 1, T9S, R21E

DAMAGE RELEASE

STATE OF AZ §
Maricopa COUNTY §

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned **Steven M. Lovato**, whose address is 1711 North 20th Street, Grand Junction, CO 81501-6625, for and in consideration of the payment of the sum of two hundred and no/100 dollars (\$ 200.00), paid by Coastal Oil & Gas Corporation (Coastal) the full receipt and sufficiency of which is hereby acknowledged, has released, discharged and acquitted and does by these presents hereby release, discharge and acquit Coastal, its parent and affiliates, its and their officers, directors, employees and agents, its successors and assigns of any and all liability to the undersigned, their heirs and assigns for any and all damages to land surface and grass and/or crops thereon, resulting from operations conducted by or on behalf of Coastal on the following described tract of land:

Township 8 South, Range 21 East, SLB&M

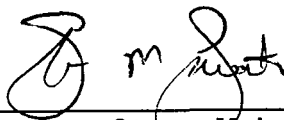
Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

AND, for the same consideration, the undersigned, **Steven M. Lovato**, does hereby agree that every claim that (s)he has, or may have, as a result of any operations conducted by or on behalf of Coastal including construction of necessary access roads or pipelines and including operations for drilling, completing, equipping and producing four wells **described on Exhibit "A", attached hereto and made a part hereof**, is in all things fully satisfied, released and discharged. Further, the undersigned does hereby agree to exonerate, indemnify, protect, defend, hold harmless and save Coastal, its officers, employees, agents and shareholders from and against any claims, damages, causes of action, suits, costs and attorney fees, including third party claims for injury to real or personal property damage from or in connection with operation for drilling, completing, equipping and producing the aforesaid wells.

IN WITNESS WHEREOF, this release is executed this 28th day of December,
1999.



Steven M. Lovato

SS#

571-490152

EXHIBIT "A"

Attached to and Made a Part of a Damage Release Covering the Following Described Lands:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

Well Name

Location

Ouray #36-97	SE $\frac{1}{4}$ SE $\frac{1}{4}$	Section 36, T8S, R21E
Ouray # 1-141	Lot 1	Section 1, T9S, R21E
Ouray SWD #1	Lot 1	Section 1, T9S, R21E
Ouray # 1-101	SE $\frac{1}{4}$ NE $\frac{1}{4}$	Section 1, T9S, R21E

DAMAGE RELEASE

STATE OF CALIFORNIA §
LOS ANGELES COUNTY §

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned **Alfred Lovato**, whose address is 1833 Jones Avenue, Los Angeles, CA 90032-3726, for and in consideration of the payment of the sum of two hundred and no/100 dollars (\$ 200.00), paid by Coastal Oil & Gas Corporation (Coastal) the full receipt and sufficiency of which is hereby acknowledged, has released, discharged and acquitted and does by these presents hereby release, discharge and acquit Coastal, its parent and affiliates, its and their officers, directors, employees and agents, its successors and assigns of any and all liability to the undersigned, their heirs and assigns for any and all damages to land surface and grass and/or crops thereon, resulting from operations conducted by or on behalf of Coastal on the following described tract of land:

Township 8 South, Range 21 East, SLB&M


Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

AND, for the same consideration, the undersigned, **Alfred Lovato**, does hereby agree that every claim that (s)he has, or may have, as a result of any operations conducted by or on behalf of Coastal including construction of necessary access roads or pipelines and including operations for drilling, completing, equipping and producing four wells **described on Exhibit "A", attached hereto and made a part hereof**, is in all things fully satisfied, released and discharged. Further, the undersigned does hereby agree to exonerate, indemnify, protect, defend, hold harmless and save Coastal, its officers, employees, agents and shareholders from and against any claims, damages, causes of action, suits, costs and attorney fees, including third party claims for injury to real or personal property damage from or in connection with operation for drilling, completing, equipping and producing the aforesaid wells.

IN WITNESS WHEREOF, this release is executed this 24TH day of DECEMBER
1999.



Alfred Lovato

SS# 523-26-7474 -

EXHIBIT "A"

Attached to and Made a Part of a Damage Release Covering the Following Described Lands:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

<u>Well Name</u>	<u>Location</u>
Ouray #36-97	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 36, T8S, R21E
Ouray # 1-141	Lot 1 Section 1, T9S, R21E
Ouray SWD #1	Lot 1 Section 1, T9S, R21E
Ouray # 1-101	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 1, T9S, R21E

DAMAGE RELEASE

STATE OF _____ §
_____ COUNTY §

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned **Jane L. Mariz**, whose address is 1960 Ouray Avenue, Grand Junction, CO 81501-7938, for and in consideration of the payment of the sum of two hundred and no/100 dollars (\$ 200.00), paid by Coastal Oil & Gas Corporation (Coastal) the full receipt and sufficiency of which is hereby acknowledged, has released, discharged and acquitted and does by these presents hereby release, discharge and acquit Coastal, its parent and affiliates, its and their officers, directors, employees and agents, its successors and assigns of any and all liability to the undersigned, their heirs and assigns for any and all damages to land surface and grass and/or crops thereon, resulting from operations conducted by or on behalf of Coastal on the following described tract of land:

Township 8 South, Range 21 East, SLB&M


Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

AND, for the same consideration, the undersigned, **Jane L. Mariz**, does hereby agree that every claim that (s)he has, or may have, as a result of any operations conducted by or on behalf of Coastal including construction of necessary access roads or pipelines and including operations for drilling, completing, equipping and producing four wells **described on Exhibit "A", attached hereto and made a part hereof**, is in all things fully satisfied, released and discharged. Further, the undersigned does hereby agree to exonerate, indemnify, protect, defend, hold harmless and save Coastal, its officers, employees, agents and shareholders from and against any claims, damages, causes of action, suits, costs and attorney fees, including third party claims for injury to real or personal property damage from or in connection with operation for drilling, completing, equipping and producing the aforesaid wells.

IN WITNESS WHEREOF, this release is executed this 29 day of 12,
1999.



Jane L. Mariz

SS# 584-44-7427

EXHIBIT "A"

Attached to and Made a Part of a Damage Release Covering the Following Described Lands:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

Well Name

Location

Ouray #36-97	SE $\frac{1}{4}$ SE $\frac{1}{4}$	Section 36, T8S, R21E
Ouray # 1-141	Lot 1	Section 1, T9S, R21E
Ouray SWD #1	Lot 1	Section 1, T9S, R21E
Ouray # 1-101	SE $\frac{1}{4}$ NE $\frac{1}{4}$	Section 1, T9S, R21E

DAMAGE RELEASE

STATE OF CO §
Mesa COUNTY §

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned **Viola Lovato**, whose address is 1181 Lowell Court #4, Grand Junction, CO 81506-8257, for and in consideration of the payment of the sum of two hundred and no/100 dollars (\$ 200.00), paid by Coastal Oil & Gas Corporation (Coastal) the full receipt and sufficiency of which is hereby acknowledged, has released, discharged and acquitted and does by these presents hereby release, discharge and acquit Coastal, its parent and affiliates, its and their officers, directors, employees and agents, its successors and assigns of any and all liability to the undersigned, their heirs and assigns for any and all damages to land surface and grass and/or crops thereon, resulting from operations conducted by or on behalf of Coastal on the following described tract of land:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

AND, for the same consideration, the undersigned, **Viola Lovato**, does hereby agree that every claim that (s)he has, or may have, as a result of any operations conducted by or on behalf of Coastal including construction of necessary access roads or pipelines and including operations for drilling, completing, equipping and producing four wells **described on Exhibit "A", attached hereto and made a part hereof**, is in all things fully satisfied, released and discharged. Further, the undersigned does hereby agree to exonerate, indemnify, protect, defend, hold harmless and save Coastal, its officers, employees, agents and shareholders from and against any claims, damages, causes of action, suits, costs and attorney fees, including third party claims for injury to real or personal property damage from or in connection with operation for drilling, completing, equipping and producing the aforesaid wells.

200 IN WITNESS WHEREOF, this release is executed this 5 day of January

Viola Lovato
Viola Lovato

SS# 522-38-5623

EXHIBIT "A"

Attached to and Made a Part of a Damage Release Covering the Following Described Lands:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

<u>Well Name</u>	<u>Location</u>
Ouray #36-97	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 36, T8S, R21E
Ouray # 1-141	Lot 1 Section 1, T9S, R21E
Ouray SWD #1	Lot 1 Section 1, T9S, R21E
Ouray # 1-101	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 1, T9S, R21E

DAMAGE RELEASE

STATE OF _____ §

KNOW ALL MEN BY THESE PRESENTS:

_____ COUNTY §

THAT the undersigned **Eugene E. Lovato**, whose address is 1181 Lowell Court #4, Grand Junction, CO 81506-8257, for and in consideration of the payment of the sum of two hundred and no/100 dollars (\$ 200.00), paid by Coastal Oil & Gas Corporation (Coastal) the full receipt and sufficiency of which is hereby acknowledged, has released, discharged and acquitted and does by these presents hereby release, discharge and acquit Coastal, its parent and affiliates, its and their officers, directors, employees and agents, its successors and assigns of any and all liability to the undersigned, their heirs and assigns for any and all damages to land surface and grass and/or crops thereon, resulting from operations conducted by or on behalf of Coastal on the following described tract of land:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

AND, for the same consideration, the undersigned, **Eugene E. Lovato**, does hereby agree that every claim that (s)he has, or may have, as a result of any operations conducted by or on behalf of Coastal including construction of necessary access roads or pipelines and including operations for drilling, completing, equipping and producing four wells **described on Exhibit "A", attached hereto and made a part hereof**, is in all things fully satisfied, released and discharged. Further, the undersigned does hereby agree to exonerate, indemnify, protect, defend, hold harmless and save Coastal, its officers, employees, agents and shareholders from and against any claims, damages, causes of action, suits, costs and attorney fees, including third party claims for injury to real or personal property damage from or in connection with operation for drilling, completing, equipping and producing the aforesaid wells.

IN WITNESS WHEREOF, this release is executed this 3 day of JANUARY
2000.

Eugene E. Lovato
Eugene E. Lovato

SS# 524-44-5308

EXHIBIT "A"

Attached to and Made a Part of a Damage Release Covering the Following Described Lands:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

Well Name

Location

Ouray #36-97	SE $\frac{1}{4}$ SE $\frac{1}{4}$	Section 36, T8S, R21E
Ouray # 1-141	Lot 1	Section 1, T9S, R21E
Ouray SWD #1	Lot 1	Section 1, T9S, R21E
Ouray # 1-101	SE $\frac{1}{4}$ NE $\frac{1}{4}$	Section 1, T9S, R21E

DAMAGE RELEASE

STATE OF _____ §

KNOW ALL MEN BY THESE PRESENTS:

_____ COUNTY §

THAT the undersigned **JoAnn Haining**, whose address is PO Box 73, Redvale, CO 81431-0073, for and in consideration of the payment of the sum of two hundred and no/100 dollars (\$ 200.00), paid by Coastal Oil & Gas Corporation (Coastal) the full receipt and sufficiency of which is hereby acknowledged, has released, discharged and acquitted and does by these presents hereby release, discharge and acquit Coastal, its parent and affiliates, its and their officers, directors, employees and agents, its successors and assigns of any and all liability to the undersigned, their heirs and assigns for any and all damages to land surface and grass and/or crops thereon, resulting from operations conducted by or on behalf of Coastal on the following described tract of land:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

AND, for the same consideration, the undersigned, **JoAnn Haining**, does hereby agree that every claim that (s)he has, or may have, as a result of any operations conducted by or on behalf of Coastal including construction of necessary access roads or pipelines and including operations for drilling, completing, equipping and producing four wells **described on Exhibit "A", attached hereto and made a part hereof**, is in all things fully satisfied, released and discharged. Further, the undersigned does hereby agree to exonerate, indemnify, protect, defend, hold harmless and save Coastal, its officers, employees, agents and shareholders from and against any claims, damages, causes of action, suits, costs and attorney fees, including third party claims for injury to real or personal property damage from or in connection with operation for drilling, completing, equipping and producing the aforesaid wells.

IN WITNESS WHEREOF, this release is executed this ____ day of _____,


JoAnn Haining

SS# 521-52-5733

EXHIBIT "A"

Attached to and Made a Part of a Damage Release Covering the Following Described Lands:

Township 8 South, Range 21 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 9 South, Range 21 East, SLB&M

Section 1: Lot #1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$), SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

Well Name

Location

Ouray #36-97	SE $\frac{1}{4}$ SE $\frac{1}{4}$	Section 36, T8S, R21E
Ouray # 1-141	Lot 1	Section 1, T9S, R21E
Ouray SWD #1	Lot 1	Section 1, T9S, R21E
Ouray # 1-101	SE $\frac{1}{4}$ NE $\frac{1}{4}$	Section 1, T9S, R21E



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

February 3, 2000

Coastal Oil & Gas Corporation
P.O. Box 1148
Vernal, Utah 84078

Re: Ouray 1-101 Well, 1663' FNL, 664' FEL, SE NE, Sec. 1, T. 9 S, R. 21 E Uintah
County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33382.

Sincerely,

John R. Baza
Associate Director

jb

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Coastal Oil & Gas

Well Name & Number: Ouray 1-101

API Number: 43-047-33382

Lease: FEE

Location: SE NE **Sec.** 1 **T.** 9 S. **R.** 21 E

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division of the following actions during drilling of this well:

24 hours prior to cementing or testing casing

24 hours prior to testing blowout prevention equipment

24 hours prior to spudding the well

within 24 hours of any emergency changes made to the approved drilling program prior to commencing operations to plug and abandon the well

Division contacts (please leave a voice mail message if person is not available to take the call):

Dan Jarvis at (801)538-5338

Robert Krueger at (801)538-5274 (plugging)

Carol Daniels at (801)538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4.** In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing in properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

- 5.** Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3a. Address

P.O. Box 1148, Vernal UT 84078

3b. Phone No. (include area code)

(435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SE/NE Sec. 1, T9S, R21E
1663' FNL & 664' FEL

5. Lease Serial No.

Fee

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement. Name and/or No.
U-76246

8. Well Name and No.

Ouray #1-101

9. API Well No.

43-047-33382

10. Field and Pool, or Exploratory Area

Ouray

11. County or Parish, State

Uintah UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Spud

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

MIRU Malcolms Drilling (Bucket Rig) and drilled 65' of 18" hole. Ran 65' of 14" conductor pipe. Cmt w/70 sks P-AG w/2% CaCl₂, 15.6 ppg, 1.18 yield. Hole stayed full.
MIRU Bill Martin's Drilling (Air Rig) and drilled 456' of 12 1/4" hole. Ran 10 jts 8 5/8" K-55 24# Csg. Cmt w/310 sks P-AG w/2% CaCl₂, 1/4#/sk Flocele, 15.6 ppg, 1.18 yield. Drop plug. Displace w/25 Bbls H₂O w/5 Bbls Cmt to surface. Hole stayed full.

Spud @ 9:00 p.m. on 6/5/2000

RECEIVED

JUN 13 2000

DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Katy Dow

Title

Environmental Jr. Analyst

Date 6/12/00

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3a. Address

P.O. Box 1148, Vernal UT 84078

3b. Phone No. (include area code)

(435)-781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SENE Sec.1,T9S,R21E 1663'FNL & 664'FEL

5. Lease Serial No.

FEE

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No.

U-76246

8. Well Name and No.

Ouray #1-101

9. API Well No.

43-047-33382

10. Field and Pool, or Exploratory Area

Ouray

11. County or Parish, State

Uintah Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other TD Change

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Coastal Oil & Gas Corporation proposes to change the subject well to Wastach formation TD @ 7800'. Surface set @ 450' and run a drift shot survey every 1500'. With the exception of the TD depth the Cmt & Csg program will remain the same.

(fr. 11344')

Approved by the
Utah Division of
Oil, Gas and Mining

Date:

By:

COPY SENT TO OPERATOR

Date: 6-22-00

Initials: CHD

RECEIVED

JUN 19 2000

DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Katy Dow

Title

Environmental Jr. Analyst

Date 6/14/00

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3a. Address

P.O. Box 1148, Vernal UT 84078

3b. Phone No. (include area code)

(435)781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SE/NE Sec.1,T9S,R21E
1663'FNL & 664'FEL

5. Lease Serial No.

Fee

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No.
U-76246

8. Well Name and No.

Ourray #1-101

9. API Well No.

43-047-33382

10. Field and Pool, or Exploratory Area
Ourray

11. County or Parish, State

Uintah UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>Drilling</u> |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>Summary</u> |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Finished drilling from 456' to 7,300'. Ran 174 jts 4 1/2" 11.6# 8RD K-55 Csg. Cmt w/450 sks HiLift w/adds, 11 ppg, 3.61 yield. Tail w/585 sks 50/50 Poz G w/adds, 14.5 ppg, 14.3 yield. Drop plug. Displace w/112.6 Bbls H2O. Bump plug. Plug held full returns no cement to surface. Clean mud tanks. Rig released @0700 hrs on 6/19/00.

RECEIVED

JUN 26 2000

**DIVISION OF
OIL, GAS AND MINING**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Katy Dow

Title

Environmental Jr. Analyst

Date 6/19/00

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

ENTITY ACTION FORM - FORM 6

ADDRESS P.O. Box 1148
Vernal UT 84078

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	<u>12803</u>	43-047-33382	Ouray #1-101	SENE	1	9S	21E	Uintah	6/5/00	6/5/00
WELL 1 COMMENTS: <u>000718 entity added.</u>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

Buty H. Dow
Signature
Environmental Jr. Analyst 7/11/00
Title Date
Phone No. (435) 781-7022

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such purposes

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone Number.

P.O. Box 1148, Vernal UT 84078

(435)781-7023

4. Location of Well

Footages: 1663' FNL & 664' FEL

QQ, Sec., T., R., M.: SE/NE Sec. 1, T9S, R21E

5. Lease Designation and Serial Number

Fee

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

U-76246

8. Well Name and Number:

Ouray #1-101

9. API Well Number:

43-047-33382

10. Field and Pool, or Wildcat

Ouray

County: Uintah

State: UT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon* | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other _____ | Completion Report |

Date of work completion 8/2/00

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Subject well placed on production on 8/2/00. Please refer to the attached Chronological Well History.

RECEIVED

OCT 10 2000

DIVISION OF
OIL, GAS AND MINING

13.

Name & Signature

Cheryl Cameron

Title Sr. Regulatory Analyst

Date 9/28/00

(This space for State use only)

COASTAL OIL & GAS CORPORATION
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

OURAY 1-101
OURAY FIELD
UINTAH COUNTY, UT
WI:
PBTD: PERFS:
CSG:
Spud Date:

AFE DESCR., AFE:
FORMATION:
CWC(M\$):

RECEIVED

OCT 10 2000

DIVISION OF
OIL, GAS AND MINING

07/28/00 PU & RIH W/ TBG.
PROG: PU & RIH W/ 3 7/8" MILL, 1 JT 2 3/8" TBG, SN W/ 2 3/8" J-55 TBG TO 6760'. SDFN.
(DAY1)

7/29/00 PREP TO FRAC.
PROG: RIH W/ 2 3/8" TBG TO 7255'. PICKLE TBG. SPOT 300 GALS 15% HCL ACROSS
PERFS. PERF WASATCH 7134' - 7128', 4 SPF, 16 HOLES, BRK DN PERFS W/ 3600# @ 3 BPM
- ISIP : 1400#.
(DAY2)

7/30/00: SI WOF.
7/31/00: SI WOF.

08/01/00 PREP TO FRAC LAST TWO STAGES.
PROG: STAGE # 1 BRK DN PERFS F/ 7134' - 7138' W/ 1556# @ 3 BPM - ISIP: 1250#, FG:
0.61. FRAC W/ 39,200# 20/40 SD W/ PROP NET IN LAST 10% OF SD. RAMP STAGE & 460
BBLs YF119LG LIQUID/GEL. ISIP: 2240#, FG: 0.74, NET PRESS INCR: 990#, MTP: 2939#, ATP:
2732#, MTR: 25.8 BPM, ATR: 21.2 BPM. RIH W/ CBP & PERF GUN. SET CBP @ 7070'.

STAGE # 2 PERF WASATCH F/ 6948' - 6956', 4 SPF, 32 HOLES. BRK DN W/ 2710# @ 3
BPM - ISIP: 1600#, FG: 0.66. FRAC W/ 37,100# 20/40 SD W/ PROP NET IN LAST 10% OF SD
& 430 BBLs YF119LG LIQUID/GEL. ISIP: 2097#, FG: 0.73, NET PRESS INCR: 497#, MTP: 3754#,
ATP: 2918#, MTR: 26.1 BPM, ATR: 21.5 BPM. RIH W/ CBP & PERF GUN. SET CBP @ 6900'.

STAGE # 3 PERF WASATCH F/ 6812' - 6816', 4 SPF, 16 HOLES. SOH W/ WIRE LINE.
STRANDED LINE @ 3000'. REPAIR LINE & FIN POOH. BRK DN PERFS W/ 2121# @ 3 BPM
- ISIP: 1616#, FG: 0.67. FRAC W/ 38,600# 20/40 SD W/ PROP NET IN LAST 10% OF SD. WELL
SCREENED OUT IN FLUSH, 27,136# INFORMATION (11,464# IN CSG). FLOW BACK 2 HRS.
REC 200 BLW & SD. RIH W/ TBG TO 6820'. CIRC HOLE CLEAN. POOH. RIH & SET CBP
@ 6760'. PERF WASATCH F/ 6364' - 6366', 4 SPF, 8 HOLES & 6338' - 6342', 4 SPF, 16 HOLES.
(DAY3)

08/02/00 PREP TO PLACE ON SALES.
PROG: STAGE 4 BRK DN PERFS 6338' - 6366' W/ 4317# @ 3 BPM - ISIP: 1447#, FG:
0.66. FRAC W/ 37,653# 20/40 SD W/ PROP NET IN LAST 10% OF SD & 527 BBLs YF119LG
FLUID/GEL. WELL SCREENED OUT DURING FLUSH (36,133# SD INFORMATION, 1520#
SD IN CSG). MTP: 7219#, ATP: 3557#, MTR: 32.7 BPM, ATR: 17.5 BPM. RIH W/ CBP & PERF
GUN. HIT BRIDGE @ 3840'. POOH. PMP DN CSG & BRK BRIDGE. RIH & SET CBP @ 5640'.

STAGE 5 PERF WASATCH F/ 5389' - 5397', 4 SPF, 32 HOLES. BRK DN W/ 2087# @ 3
BPM - ISIP: 1007#, FG: 0.62. FRAC W/ 27,000# 20/40 SD W/ PROP NET IN LAST 10% SD & 387
BBLs YF119LG FLUID/GEL. ISIP: 2225#, FG: 0.84, NET PRESS INCR: 1218#, MTP: 2950#, ATP:
2398#, MTR: 26.4 BPM, ATR: 21.6 BPM. RIH & SET CBP @ 5330'. RIH W/ 3 7/8" MILL TOOTH
BIT. DO CBP'S @ 5330', 5460', 6760', 6900' & 7070'. RIH & CO SD TO PBTD @ 7255'. PU &
LAND TBG @ 7090', SN @ 7056'. FLOW BACK 5 HRS. CHK: 48/64" TO 24/64", CP: 800# TO
1100#, FTP: 200# TO 500#, 49 BWPH TO 9 BWPH. TLTR: 2574 BBLs, TLR: 1516 BBLs, LLTR:
1058 BBLs.
(DAY4)

08/03/00 PROG: PLACED ON SALES @ 1:30 PM ON 8/2/00. SPOT PROD DATA: CHK: 25/64", FTP:
340#, CP: 800#, 10 BWPH, 1,000 MCF.

08/04/00 PROG: FLWD 634 MCF, 118 BW, FTP: 200#, CP: 550#, 25/64" CHK, 18 HRS, LP: 121#.

08/05/00 PROG: FLWD 655 MCF, 33 BW, FTP: 160#, CP: 440#, 64/64" CHK, 24 HRS, LP: 116#. LLTR: 907
BBLs.

08/06/00 PROG: FLWD 561 MCF, 53 BW, FTP: 146# , CP: 400# , 64/64" CHK, 24 HRS, LP: 118# . LLTR: 854
BBLs.

08/07/00 PROG: FLWD 507 MCF, 37 BW, FTP: 130# , CP: 380# , 64/64" CHK, 24 HRS, LP: 116# . LLTR: 817
BBLs.

IP DATE: 8/4/00 - FLWG 655 MCF, 33 BW, FTP: 160# , CP: 440# , 64/64" CHK, 24 HRS, LP: 116# .
FINAL REPORT.

RECEIVED

OCT 10 2000

DIVISION OF
OIL, GAS AND MINING

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such purposes

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone Number.

P.O. Box 1148, Vernal UT 84078

(435)781-7023

4. Location of Well

Footages: 1663'FNL & 664'FEL

QQ,Sec., T., R., M.: SE/NE Sec.1,T9S,R21E

5. Lease Designation and Serial Number

Fee

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

U-76246

8. Well Name and Number:

Ouray #1-101

9. API Well Number:

43-047-33382

10. Field and Pool, or Wildcat

Ouray

County: Uintah

State: UT

11. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon* | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other _____ | Completion Report |

Date of work completion 8/2/00

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Subject well placed on production on 8/2/00. Please refer to the attached Chronological Well History. The production water for the subject well is contained in the production tank and then trucked to one of the following pre-approved disposal sites:

RNI, Sec.5, T9S, R22E
NBU #159, Sec.35, T9S, R21E
Ace Oilfield, Sec.2, T6S, R20E
MC & MC, Sec.12, T6S, R19E

13. Name & Signature:  Title: Sr. Regulatory Analyst

Date: 9/28/00

(This space for State use only)

COASTAL OIL & GAS CORPORATION
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

OURAY 1-101

OURAY FIELD
UINTAH COUNTY, UT

WI:

PBTD: PERFS:

CSG:

Spud Date:

AFE DESCR., AFE:

FORMATION:

CWC(M\$):

07/28/00 PU & RIH W/ TBG.
PROG: PU & RIH W/ 3 7/8" MILL, 1 JT 2 3/8" TBG, SN W/ 2 3/8" J-55 TBG TO 6760'. SDFN.
(DAY1)

7/29/00 PREP TO FRAC.
PROG: RIH W/ 2 3/8" TBG TO 7255'. PICKLE TBG. SPOT 300 GALS 15% HCL ACROSS
PERFS. PERF WASATCH 7134' - 7128', 4 SPF, 16 HOLES, BRK DN PERFS W/ 3600# @ 3 BPM
- ISIP : 1400#.
(DAY2)

7/30/00: SI WOF.
7/31/00: SI WOF.

08/01/00 PREP TO FRAC LAST TWO STAGES.
PROG: STAGE # 1 BRK DN PERFS F/ 7134' - 7138' W/ 1556# @ 3 BPM - ISIP: 1250#, FG:
0.61. FRAC W/ 39,200# 20/40 SD W/ PROP NET IN LAST 10% OF SD. RAMP STAGE & 460
BBLs YF119LG LIQUID/GEL. ISIP: 2240#, FG: 0.74, NET PRESS INCR: 990#, MTP: 2939#, ATP:
2732#, MTR: 25.8 BPM, ATR: 21.2 BPM. RIH W/ CBP & PERF GUN. SET CBP @ 7070'.

STAGE # 2 PERF WASATCH F/ 6948' - 6956', 4 SPF, 32 HOLES. BRK DN W/ 2710# @ 3
BPM - ISIP: 1600#, FG: 0.66. FRAC W/ 37,100# 20/40 SD W/ PROP NET IN LAST 10% OF SD
& 430 BBLs YF119LG LIQUID/GEL. ISIP: 2097#, FG: 0.73, NET PRESS INCR: 497#, MTP: 3754#,
ATP: 2918#, MTR: 26.1 BPM, ATR: 21.5 BPM. RIH W/ CBP & PERF GUN. SET CBP @ 6900'.

STAGE # 3 PERF WASATCH F/ 6812' - 6816', 4 SPF, 16 HOLES. SOH W/ WIRE LINE.
STRANDED LINE @ 3000'. REPAIR LINE & FIN POOH. BRK DN PERFS W/ 2121# @ 3 BPM
- ISIP: 1616#, FG: 0.67. FRAC W/ 38,600# 20/40 SD W/ PROP NET IN LAST 10% OF SD. WELL
SCREENED OUT IN FLUSH, 27,136# INFORMATION (11,464# IN CSG). FLOW BACK 2 HRS.
REC 200 BLW & SD. RIH W/ TBG TO 6820'. CIRC HOLE CLEAN. POOH. RIH & SET CBP
@ 6760'. PERF WASATCH F/ 6364' - 6366', 4 SPF, 8 HOLES & 6338' - 6342', 4 SPF, 16 HOLES.

(DAY3)

08/02/00 PREP TO PLACE ON SALES.
PROG: STAGE 4 BRK DN PERFS 6338' - 6366' W/ 4317# @ 3 BPM - ISIP: 1447#, FG:
0.66. FRAC W/ 37,653# 20/40 SD W/ PROP NET IN LAST 10% OF SD & 527 BBLs YF119LG
FLUID/GEL. WELL SCREENED OUT DURING FLUSH (36,133# SD INFORMATION, 1520#
SD IN CSG). MTP: 7219#, ATP: 3557#, MTR: 32.7 BPM, ATR: 17.5 BPM. RIH W/ CBP & PERF
GUN. HIT BRIDGE @ 3840'. POOH. PMP DN CSG & BRK BRIDGE. RIH & SET CBP @ 5640'.

STAGE 5 PERF WASATCH F/ 5389' - 5397', 4 SPF, 32 HOLES. BRK DN W/ 2087# @ 3
BPM - ISIP: 1007#, FG: 0.62. FRAC W/ 27,000# 20/40 SD W/ PROP NET IN LAST 10% SD & 387
BBLs YF119LG FLUID/GEL. ISIP: 2225#, FG: 0.84, NET PRESS INCR: 1218#, MTP: 2950#, ATP:
2398#, MTR: 26.4 BPM, ATR: 21.6 BPM. RIH & SET CBP @ 5330'. RIH W/ 3 7/8" MILL TOOTH
BIT. DO CBP'S @ 5330', 5460', 6760', 6900' & 7070'. RIH & CO SD TO PBTD @ 7255'. PU &
LAND TBG @ 7090', SN @ 7056'. FLOW BACK 5 HRS. CHK: 48/64" TO 24/64", CP: 800# TO
1100#, FTP: 200# TO 500#, 49 BWPH TO 9 BWPH. TLTR: 2574 BBLs, TLR: 1516 BBLs, LLTR:
1058 BBLs.

(DAY4)

08/03/00 PROG: PLACED ON SALES @ 1:30 PM ON 8/2/00. SPOT PROD DATA: CHK: 25/64", FTP:
340#, CP: 800#, 10 BWPH, 1,000 MCF.

08/04/00 PROG: FLWD 634 MCF, 118 BW, FTP: 200#, CP: 550#, 25/64" CHK, 18 HRS, LP: 121#.

08/05/00 PROG: FLWD 655 MCF, 33 BW, FTP: 160#, CP: 440#, 64/64" CHK, 24 HRS, LP: 116#. LLTR: 907
BBLs.

08/06/00 PROG: FLWD 561 MCF, 53 BW, FTP: 146# , CP: 400# , 64/64" CHK, 24 HRS, LP: 118# . LLTR: 854
BBLs.

08/07/00 PROG: FLWD 507 MCF, 37 BW, FTP: 130# , CP: 380# , 64/64" CHK, 24 HRS, LP: 116# . LLTR: 817
BBLs.
IP DATE: 8/4/00 - FLWG 655 MCF, 33 BW, FTP: 160# , CP: 440# , 64/64" CHK, 24 HRS, LP: 116# .
FINAL REPORT.

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____ b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____ 2. NAME OF OPERATOR Coastal Lil & Gas Corporation 3. ADDRESS OF OPERATOR P.O. Box 1148, Vernal UT 84078 (435) 781-7023 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface SE/NE At top prod. interval reported below 1663' FNL 664' FEL At total depth						5. LEASE DESIGNATION AND SERIAL NO. FEE	
						6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
						7. UNIT AGREEMENT NAME U-76246	
						8. FARM OR LEASE NAME Ouray	
9. WELL NO. 1-101							
10. FIELD AND POOL, OR WILDCAT Ouray							
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 1, T9S, R21E							
12. COUNTY Uintah				13. STATE Utah			
14. API NO. 43-047-33382		DATE ISSUED 2/3/00					
15. DATE SPUDDED 6/5/00		16. DATE T.D. REACHED 6/18/00		17. DATE COMPL. (Ready to prod. or Plug & Abd.) 8/2/00			
18. ELEVATIONS (DF, RKB, RT, GR, ETC.) 4697.8' GR		19. ELEV. CASINGHEAD					
20. TOTAL DEPTH, MD & TVD 7300'		21. PLUG, BACK T.D., MD & TVD 7255'		22. IF MULTIPLE COMPL., HOW MANY			
23. INTERVALS DRILLED BY →		ROTARY TOOLS X		CABLE TOOLS			
24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD) Wasatch: 7134'-7128', 6948'-6956', 6812'-6816', 6364'-6366', 6338'-6342, 5387'-5387					25. WAS DIRECTIONAL SURVEY MADE No		
26. TYPE ELECTRIC AND OTHER LOGS RUN Dipole Sonic Imager/CN/LQC, CBL/CL/GR 7-13-00				27. Was Well Cored YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> (Submit analysis) Drill System Test YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> (See reverse side)			
28. CASING RECORD (Report all strings set in well)							
CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED		
14" K-55	50#	65'	18"	70 P-AG w/2% CaCl2			
8 5/8" K-55	24#	452'	12 1/4"	310 P-AG w/2% CaCl2			
4 1/2" K-55	11.6#	7,300'	7 7/8"	450 Hilift w/Add			
				588 50/50 Pos w/Add			
29. LINER RECORD			30. TUBING RECORD				
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	PACKER SET (MD)		
				2 3/8"	7090.73'		
31. PERFORATION RECORD (Interval, size and number) Wasatch: 7134'-7128' SPF 16 holes; 6948'-6956' 4SPF 32 holes; 6812'-6816' 4SPF 116 holes; 6338'-6366' 4SPF 12 holes; 5389'-5387' 4SPF 32 holes			32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED Refer to additional page.				
33. PRODUCTION DATE FIRST PRODUCTION 8/2/00 PRODUCTION METHOD Flowing (Flowing, gas lift, pumping - size and type of pump) WELL STATUS (Producing or shut-in) Producing							
DATE OF TEST 8/4/00	HOURS TESTED 24	CHOKE SIZE 64/64	PROD'N. FOR TEST PERIOD →	OIL - BBL. 655	GAS - MCF. 33		
WATER - BBL. 33	GAS - OIL RATIO						
FLOW. TUBING PRESS. 160#	CASING PRESSURE 440#	CALCULATED 24-HOUR RATE →	OIL - BBL. 655	GAS - MCF. 33	WATER - BBL. 33		
OIL GRAVITY - API (CORR.)							
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold used for fuel					TEST WITNESSED BY		
35. LIST OF ATTACHMENTS							
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records SIGNED <u>Cheryl Cameron</u> TITLE <u>Sr. Regulatory Analyst</u> DATE <u>11/3/00</u>							

See Spaces for Additional Data on Reverse Side

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachment.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details for any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

37. SUMMARY OF POROUS ZONES:

Show all important zones of porosity and contents thereof: cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries).

Formation	Top	Bottom	Description, contents, etc.	38. GEOLOGIC MARKERS		
				Name	Meas. Depth	Top True Vert. Depth
Green River	1828'	5219'				
Wasatch	5219'					

OFFICE OF
OIL AND GAS
CONSULTATION
JAN 11 2011

Lease Serial No. FEE

WELL NAME: Ouray #1-101
API #43-047-33382

Stage #1 Perfs F/7134'-7138' Frac W 39,200# 20/40 SD w/Prop Net in last 10% of SD.
Ramp Stage & 460 Bbls YF119LG Liquid/Gel.

Stage #2 Perf Wasatch F/6948'-6956', 4 SPF, 32 holes. Frac W/37,100# 20/40 SD W/Prop
Net in last 10% of SD & 430 Bbls YF119LG Liquid/Gel

Stage #3 Perf Wasatch F/6812'-6816', 4SPF, 16 holes. Frac W/38,600# 20/40 SD W/Prop Net
last 10% of SD Perf Wasatch F/6364'-6366, 4 SPF, 8 holes & 6338'-6342, 4 SPF, 16 holes.

Stage #4 Perfs 6338'-6366' Frac W/37,653# 20/40 SD W/Prop Net in Last 10% or SD & 527
Bbls YF119LG Fluid/Gel

Stage #5 Perf Wasatch 5389'-5397' Frac W/27,000# 20/40 SD W/ Prop Net in Last 10% SD & 387
Bbls YF119LG Fluid/Gel

EXAMINED
10-15-2013
DANIEL SP
ON, 11-2-2013

JAN. 17. 2003 3:34PM

PORT

NO. 173 P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215-7093
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203
BLM Nationwide Bond 158626364
Surety - Continental Casualty Company
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.
Assumption Rider - Westport Oil and Gas Company, L.P.

Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,
Westport Oil and Gas Company, L.P.

Debby J. Black
Engineer Technician

Encl;



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

FEB 22 2002

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:

3106

UTU-25566 et al

(UT-924)

FEB 21 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas
410 Seventeenth Street, #2300 :
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

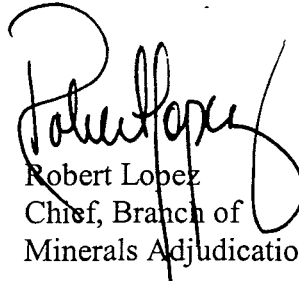
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405
UTU-20895
UTU-25566
UTU-43156
UTU-49518
UTU-49519
UTU-49522
UTU-49523



Robert Lopez
Chief, Branch of
Minerals Adjudication

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

UNITED STATES GOVERNMENT

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

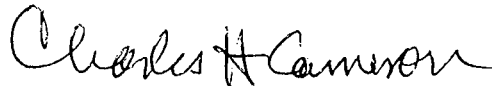
We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.



CC: Minerals & Mining Section of RES
Ute Energy & Mineral Resources Department: Executive Director
chrono



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:
Real Estate Services

Carroll A. Wilson
Principal Landman
Westport Oil and Gas Company, L.P.
1368 South 1200 East
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Exhibit "A"

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER

2. NAME OF OPERATOR:

El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR:

9 Greenway Plaza

CITY Houston

STATE TX

ZIP 77064-0995

PHONE NUMBER:

(832) 676-5933

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # _____

State Surety Bond No. RLB0005236
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

By: _____

Jon R. Nelsen, Attorney-in-Fact

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.

NAME (PLEASE PRINT)

David R. Dix

TITLE

Agent and Attorney-in-Fact

SIGNATURE

David R. Dix

DATE

12/17/02

(This space for State use only)

Form 3160-5
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 20005. Lease Serial No.
SEE ATTACHED EXHIBIT "A"
6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

8. Well Name and No.

SEE ATTACHED EXHIBIT "A"

9. API Well No.

SEE ATTACHED EXHIBIT "A"

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UT

SEE ATTACHED EXHIBIT "A"

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	SUCCESSOR OF
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed if testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

MAR 04 2003

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

CHERYL CAMERON

Title

OPERATIONS

Date

March 4, 2003

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH

2. CDW

3. FILE

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: 12-17-02

FROM: (Old Operator):	TO: (New Operator):
EL PASO PRODUCTION OIL & GAS COMPANY	WESTPORT OIL & GAS COMPANY LP
Address: 9 GREENWAY PLAZA	Address: P O BOX 1148
HOUSTON, TX 77064-0995	VERNAL, UT 84078
Phone: 1-(832)-676-5933	Phone: 1-(435)-781-7023
Account No. N1845	Account No. N2115

CA No.

Unit:

WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
TABBEE 3-120	03-09S-20E	43-047-33682	13408	INDIAN	GW	P
YA-POO-ITS 3-232	03-09S-20E	43-047-34739	99999	INDIAN	GW	APD
KNIGHT 4-124	04-09S-20E	43-047-33675	13554	INDIAN	GW	P
TRIBAL 4-122	04-09S-20E	43-047-33717	99999	INDIAN	GW	APD
TRIBAL 4-123	04-09S-20E	43-047-34086	13418	INDIAN	GW	P
K SNOW KNIGHT 4-23	04-09S-20E	43-047-30749	130	INDIAN	GW	P
WYASKET 4-231	04-09S-20E	43-047-34740	99999	INDIAN	GW	APD
NBU CIGE 11-14-9-20	14-09S-20E	43-047-30424	10943	FEDERAL	GW	PA
COGC 2-22-9-20 (NAT DUCK 2-22)	22-09S-20E	43-047-30967	9248	FEDERAL	GW	P
COGC 11-22-9-20 GR (UTU-73748)	22-09S-20E	43-047-32464	11653	FEDERAL	GW	P
UTE TRAIL UNIT 52X-22B	22-09S-20E	43-047-15387	9246	FEDERAL	GW	PA
NBU ST 2-36G	36-09S-20E	43-047-30515	5235	STATE	GW	PA
TRIBAL 1 54	01-09S-21E	43-047-32467	11850	INDIAN	GW	P
OURAY 1-101	01-09S-21E	43-047-33382	12803	FEE	GW	P
TRIBAL 1-125	01-09S-21E	43-047-33414	12805	INDIAN	GW	P
TRIBAL 1-126	01-09S-21E	43-047-33415	12804	INDIAN	GW	P
OURAY 1-141	01-09S-21E	43-047-33450	12699	FEE	GW	P
MCCOOK 1-142	01-09S-21E	43-047-33455	12790	INDIAN	GW	P
MCCOOK 1-170	01-09S-21E	43-047-33997	13533	INDIAN	GW	P
TRIBAL 1-203	01-09S-21E	43-047-34518	99999	INDIAN	GW	APD

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
- Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- If **NO**, the operator was contacted contacted on: _____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: 01/09/2003

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 03/26/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/26/2003

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: RLB 0005236

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 158626364

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: RLB 0005239

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238

2. The **FORMER** operator has requested a release of liability from their bond on: N/A

The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING	
1. DJJ	
2. CDW	

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: 1/6/2006	
FROM: (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	TO: (New Operator): N2995-Kerr-McGee Oil & Gas Onshore, LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024

CA No.		Unit:				
WELL NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2) Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: _____
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.
KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203

BIA BOND = RLB0005239

APPROVED 5/16/06

Earlene Russell

Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RANDY BAYNE

Title

DRILLING MANAGER

Signature

Randy Bayne

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
MAY 10 2006

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)